

UP THE GAME

BUILDING YOUR EMPIRE

BOOK TWO

192 Pages





Building a successful business in the comfort and safety of your own home doesn't require any great magic formula or any particular special skills. It does require a desire to succeed and a sense of stick-to-it-tivity not found in a job where you work for someone else.

You are the boss. The decisions you will make as you build and organize your home business are yours alone, and how you arrange and divide your time and energy will determine whether or not your business will grow and succeed or if it will fail.

The first step is to have an idea. The second step is to develop your idea into a viable business that will provide you and your family with an income for life when other people are losing their jobs as businesses downsize.

This book will provide you with some really good ideas.

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Insider's Secrets To Your Own Million Dollar Multi-Level Empire EMPIRE BY MAIL AND OTHERWISE

There seems to be any number of appealing Multi-Level Marketing programs available these days. Our researchers haven't analyzed them all, but based upon the appeal of those for the participants—most of them look as though they could put money in your pockets. However, don't ever delude yourself into thinking that multi-level marketing won't cost you anything nor require much of your time, or work on your part. Indeed, successful selling, and most assuredly, multi-level marketing, will require an investment—dedication—and a lot of hard work!

However, before you "sign-up" for any MLM deal or begin one of your own, it's going to pay you to do a little bit of market research relative to the sales potential of the whole deal. For instances, if you can sell to a "waiting market" you'll make money. But if the people you attempt to recruit as duplicates of yourself feel that they're going to have a hard time selling it to someone else, then you haven't got much of a winning MLM program; regardless of how much money you claim they can make, if only they'll get out there and sell!

This specifically applies to MLM programs that offer "limited appeal" products such as gourmet recipes, health foods, household "knick-knacks", books on needlecraft or magazine subscriptions. Beware also of deals that require you to purchase an inventory or maintain a certain sales level. Look for the "bad parts" of an offer, and then weigh these against the ease with which you'll be able to make a sale. At the bottom line, if you have a hard time selling it, then the people you recruit to sell it for you will find it even harder to sell, and that'll be the end of your "big money" multi-level program.

There are countless reports, manuals, books and other publications that "supposedly" tell you how to attain riches in mail order, party plan selling, and even street-corner sales. The thing is, all of these "how-to" publications try to instruct you how to put a mailing piece together, how often to send for you offers out, and even the importance of "neatness & quality" within your offer, but very few if any come right out and help you get your offer to your most likely customers. As you know, unless an interested buyer sees your offer, you're not going to

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make any money.

What I'm saying is that most people thrash around, waste time, spend hundreds of dollars, and never make any money simply because they don't know how to get their offers to the people—without it costing them an arm and a leg...

Here's how it's done: Regardless of what your offer entails, put together the most dynamic and mass-appeal "one-page" advertising circular you can come up with. As I've so often stated in the past, the best-selling and most-productive circular is one that "tells the reader you have a solution to his many money problems." In other words, with your circular, promise him a way to make himself rich, and he'll not only be interested, he'll jump on your program.

Next, make it as easy as possible for the people who see your offer to respond. That is, addition to an order coupon at the bottom of the advertising circulars describing your offer, give him the chance to get involved in your program for least possible cost.

If you've put together a "winning offer" most people seeing it will want to know more about it, but if you charge them \$5 for registration or enrollment fees, you'll lose about half of those "wanting in," because they're afraid of being ripped off. But if you charge them \$2 or less, almost all of the people seeing your offer will "take a chance," just to find out what kind of deal it is you're offering.

In summary, you must have a one-page advertising circular that really appeals to most of the people **CHANCE TO SOLVE ALL YOUR MONEY PROBLEMS!** It must include a coupon the reader clips off and sends in to you for enrollment or registration in your program. It has to be priced at \$2 or less to "get everybody" to at least check it out. And, it must be complete on one page to hold your printing costs in line.

Assuming you're with us, and organized thus far, take this advertising circular you've made up in original form, to a quick printer in your area. Ask him to print up \$10,000 of these one-page advertising circulars for you. This will cost you approximately \$200.

If you don't have the money, you can either work an arrangement with the printer to pay him in 30 days, or include him in as a "silent partner" in your program. Ask him to read over your offer, explain how you intend to get it to the people, and about how much money you expect to gross from it. Then, simply offer to split the proceeds if he'll carry your printing costs for you.

While the circulars are being printed, and the ink is drying, line up your initial distribution efforts. The first thing is to contact the Cub Scout and Brownie organizations in your area. Arrange with the leaders of these groups to pay them \$10 per thousands if they'll station people at the exits to all the shopping centers in your area and pass out one of your circulars to everyone as they leave the shopping center. Simply tell them that you've got 10,000 of these circulars to hand out,

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and that you'll pay them the \$100 for handing them out, on the first of the month.

The best kind of places to handout your circulars are those that feature discount stores, recycled clothing stores, and inventory reduction sales. Next on your list of places to hand out circulars should be Flea Markets, Swap and Shop events, and even garage sales. Anywhere there's a lot of people congregating or coming & going, is a good place to hand out your advertising circulars—all in your own home town and without postage costs.

Now comes the good part...While your "hired helpers" are handing circulars out for you at strategic locations throughout the area, you should be calling in person on every shopkeeper and store owner or manager in the area.

Show them each copy of your circular. Explain your program to them, and offer to cut them in on the profits if they'll help you hand them out by dropping one in with the purchases of each of their customers. The stores won't want to become involved in extra bookkeeping nor the handling of money for you, so you'll have to devise a method of knowing where your orders come from—a code for each of the stores handing out circulars for you.

This is very simple. Just assign a different "department number" to each store, and when you have the circulars printed for each store, insert the department code in the address the reader is supposed to send his order to...

Generally speaking, you should offer to supply the circulars without cost to the distributors, including the "special coding" for each store. Thus the need for a good working relationship with the printer in your area. The amount of commissions per order received that you allow to each store should range between 15 to 30 percent, but of course, always try to finalize each deal for the least amount.

Be sure to keep records of all your incoming orders. It would be wise to have a separate record book for each distributor. Thus, you can review the number of orders received from each distributor's customers with him when you pay him his commission at the end of the month. At the same time, you should jot the name, address and phone number of each person sending in an order, onto a 3x5 index card. Arrange these cards in alphabetical and zip code order, and store them in an old shoebox. When you have 10, 15, or 25 thousand of them, you'll be able to sell them at \$1 per name to any number of mailing list brokers.

Another thing you'll want to do, each envelope you receive—clip the stamp off and save these in still another shoebox—stamp collectors will pay you \$10 to \$25 for each shoebox full of stamps you can collect. After you've clipped the stamps off, place these envelopes with your customer's return address in still another storage box. When you have several boxes full of these envelopes from people who have spent money with you, there are any number of "list buyers" who'll pay you for them.

Once you've got your town saturated with circular distributors—be sure to

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leave a stack in all the barber shops and beauty salons, as well as at the counter in cafe restaurants, bowling centers, theaters, and the “lodges” of all the fraternal as well as labor unions in the area—your next move is simply to duplicate these efforts in a neighboring town or city.

Basically, we’re talking about multi-level marketing and total advertising-recruiting efforts on your part. Your main thrust should be to “pull in” as many people as possible—show them the program, and if they want it, let them get in on it—if not, forget about them and move on to the next prospect...This is called “prospecting,” and it’s going to cost you money and time, regardless of what you’re trying to sell.

So you put together an “invitation type announcement” which is your initial 42 advertising circular and you get it to as many people as possible. They pay you a “cover charge” of \$2 to find out what your program is all about. And before you get all upset and throw this report in the waste basket, think about this: Let’s suppose there are 42,000 people in your town—30,000 adults, and 18,000 separate families. If each of these 18,00 families were to send you \$2, how much money would you have? 436,000 right? Now then, tell me whether or not you’d like to have an extra \$36,000.

The people send you \$2 for a “look see” at your program for solving their money problems. You send them back your multi-level program brochure which describes how they can duplicate what you’re doing and make a bundle of money for themselves, and the cost of the supplies for them to get started. At the same time, you send out another one-page advertising circular that offers business success reports. Just another for instance, let’s say that 30% of the people receiving your MLM Brochure enroll and send for a start-up kit or supplies. You’ve expanded your MLM distributorship and made money, right? And now, let’s suppose that of all the people who’ve sent \$2 to find out what your program is all about, a total of 40% spend \$5 with you for one of your business success reports—\$36,000 gross income for initial expenses of \$600—then, let’s say your MLM brochures cost you \$100 per thousand for total expenses thus far of \$2,400—plus another \$600 for your business success reports circulars—with another \$11,250 as your commission from these reports, for a total gross income thus far of \$47,250—then, 3rd class postage and envelope costs of \$2,550...Subtract your expenses from your gross income of \$47,250 and you should end up taking \$41,700 to your bank, catching up on all your bills, or spending on a long overdue vacation to Acapulco or Hawaii...

That’s it! That’s how easy and simple it is and it actually works! Once you’ve covered your entire state in this manner, simply start renting mailing lists of people listed as Opportunity Seekers, and shotgun your basic page, \$2 offer to all of them. By following these instructions and working according to this plan, you should

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easily take in more than a million dollars within the next twelve months.

We've been using the attached "\$2 circular{ for some time now, and it's proven to be a fantastic winner for us from the start...We had 10,000 printed at a cost to us of \$200—paid a couple of cub scout troupes \$100 to hand them out for us; and from the initial 10,000 circulars we handed out, we received 2,341 \$2 inquires=\$4,682...And, another 353 orders for the MLM Manual offered on the same circular=\$7,060- Total income form our initial \$300 investment was \$11,742...

Since that time, we've expanded our market, and we're now putting out 10,000 of these circulars each and every week.

You can do it too! All it takes is that first circular and then, distribution. If you'd like to make some of this "big money" we've been talking about—feel free to duplicate our circular with your name/address on it, and get it out to the people in your area.

How To Parlay Any Multi-Level Program Into A Million Dollars

Multi-level marketing is definitely the way to go for people aspiring to have more than just enough to get by on. Most of the world's leading economic forecasters say that by the turn of the century, fully 75% of the world's consumer business will be conducted via multi-level marketing plans.

The thing to do is to learn all you can about this method of selling how it works, and why it works—and then to get going with a multi-level marketing program that can accumulate a fortune for you. Make no mistake about it, multi-level marketing has made a lot of people very rich already, and will make a lot more people even richer in the coming years.

Multi-level marketing is based upon the idea of each person involved selling only to his or her friends, with each of these people in turn, introducing their friends into the program. It's definitely an "endless chain" idea that has unlimited money-making potential.

Theoretically, everybody knows or comes into contact with an average of 100 different people each week. If only 10 of those people were to give you \$10 per week, you would have an income of \$100 per week. And then, if these people were to duplicate your efforts, passing back to you, \$1 for each new person they enlisted into the program, and then each person recruited perpetuated the program, you income would soon be astronomical!

Undoubtedly, you've heard the story of how you can become rich simply by saving a penny a day, and doubling it each day for 30 days. and then, there are the pyramid or chain letter schemes that we've all been offered. Multi-level marketing, in principle, works the same way, with the only difference being in the product offered for sale.

All of these programs work to some degree—because there are govern-

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ment restrictions and laws against the perpetuation of these ideas—most of them make a big splash when they are first introduced, and then quickly die out. However, the concept of initiating a program that sells itself via an endless chain will always be popular because it holds the promise of bringing riches if only the chain isn't broken.

So, multi-level marketing appeals to everybody because it's an opportunity for all the participants to get rich with a minimum investment, and very little time or effort or involvement.

It works because everybody wants to become rich. it's an idea that anyone—regardless of education, background or basic financial status—can perpetuate from the privacy of his or her own home.

The basic fallacy of multi-level marketing is in the number of people each individual participant can easily enlist into the program. After you've talked to all your relatives, your neighbors, co-workers, and friends across town, you're more or less stymied as to new people to bring into the program.

The bottom line is simply that you cannot recruit everybody you talk to—in fact, if you enlist 10% of the people you attempt to interest in the program, you'll be doing very well. You're going to get some rejections, and these rejections are basically what turns most people off—deflates their ego, drains their enthusiasm, and in the end, is the primary reason they drop out.

Regardless of what you sell, you must always have a goal in mind—you intend to sell 10 units of a product or recruit 10 new people into your program between now and the first of the month. you've got to believe that you can do it—want to do it—and then get out and beat the bushes until you do it! Once you've achieved this first goal, you should take a day off and reward yourself with a night on the town or the splurging you've always wanted.

But then, after setting a goal for yourself, and then proving that you can achieve it, you should set a new goal for yourself—if you recruited 10 new people into your program last month, then this month, you're going to bring in 15 new members.

You're going to make the really big money in multi-level marketing by selling “business start-up kits,” and not really from spending time inspiring or motivating the people you've already brought into the program. In other words, sell the program to as many people as possible, and count on the motivational/money-making opportunities within your dealer start-up kit to cause them to put forth the effort to get out and try to make some money on their own. In the end, and as the old saying goes: you can lead a horse to water, but you can't make him drink it—any time and or energy spend “calling back” on the people you've already sold, is going to cost you money and limit your gross income. To be successful in selling—and this is the secret to multi-level riches—you must present your pro-

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gram to as many people as possible. Close the sale with your first presentation, and let the buyer either get with it, or die from his own lack of initiative.

It's as simple as that—the more people you present your program to, the more sales you're going to make. Don't worry about the people who have already bought from you—they either will or they won't and there's nothing you can do about it.

Obviously, if you spend all your time on the telephone inviting people over to a Special Opportunity Party at your house, and then another 3 -hours presenting your program to them, it's going to take you a long time to present your program to 10,000 people and make \$10,000...

And, your costs to rent a hall—advertise—and present a seminar program—will amount to more than you take in. If you have the initial promotional abilities, the credit and/or cash, and a really dynamic program—you can make it big, and quickly, by staging seminar-type meetings at the rate of 3 to 5 per week. Still, this is expensive and time consuming—a lot of work on your part, and not the easiest, most profitable way to go.

The only logical way to go—to reach as many people as possible for the least amount of money and effort on your part—is via the mails. In other words, the marrying of your multi-level marketing efforts to mail order will be the least expensive and most profitable for you.

You can spend out 50,000 sales letters and multi-level program brochures in one month, and theoretically make \$50,000 from an expenditure of \$10,000 or less—a return of \$5 for every dollar invested, which isn't bad...

Here's our recommendation:

1) Write a short, one-page report outlining the basic Success Secrets of multi-level marketing. You can tag-line this report with an invitation for the readers to send for a complete or more detailed manual or tape relative to multi-level how-to; a directory or current listing of money-making multi-level programs; or even a listing of other reports relative to money-making home-based businesses you have for sale.

2) Once you have such a report, the next thing for you to do is advertise. Write an ad such as: FREE REPORT!... Money-making secrets of multi-level marketers. SASE to Your name, address, city, state, zip.

3) Place this ad in one of the national publications carrying lots of mail order advertisements—such as The National Inquirer, American Business, Money-making Opportunities, Entrepreneur, Income Opportunities, Speciality Salesman or any one of the hundreds of other such publications. It is our recommendation that you contract to run such an ad over three issues. This will give your ad maximum exposure, and should result in an overwhelming number of responses for you.

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4) In reply to each SASE you receive, first list the name and address of each respondent, along with the date received and what you send back to them, on 3 by 5 cards. Arrange these cards in zip code and alphabetical order, and store them in an old shoe box. Then, you take your one page report and along with your multi-level marketing brochure—your program—you stuff the envelopes and drop them off in your nearest mail box.

If you ad runs in the National Inquirer, you could expect to get 1,000 or more responses each time it runs. So far, your cost is for the ad—the printing of the one page report—and your multi-level program brochures. From these 1,000 free reports you send out you should be able to convert about 300 into new members into the multi-level program you're promoting.

Thus, for an initial cost of \$30 for the ad—\$100 for the MLM brochures—and the time it takes you to stuff the envelopes—300 buyers at \$10 each will give you a gross of \$3,000... And that's how you parlay your multi-level program into a fortune, using mail order selling techniques.

One very important thing to always remember relative to starting a new business: You cannot take any money coming in from you business advertising, and use it to pay your "everyday" bills. In other words, you cannot expect to use this money to live on—you have to pour it back into your business to perpetuate that flow of income.

Whenever you advertise, in addition to replies to your offer, you can expect a "ton of mail" from other people trying to interest you in what they're selling. Basically, you should go thru all of this "junk mail" and look over, save the stuff that looks interesting, is well done, or that you can learn from, and perhaps "lift" some ideas from for use in your own selling efforts.

Compile the names of the people and/or companies sending these offers to you. Just as with those replying to advertised offer, jot down the date and a short description of the material received—and then send them a sales letter/brochure about your multi-level program. In sending out sales letter/brochures to thee people, you don't have to send them out immediately. You can list these people in an "incoming offer notebook," and then include them with your regular direct mail packages you send out. But for sure, clip the stamps and save the incoming envelopes along with those from your bona fide replies.

5) So you've spent \$150 and made about \$3,000 in a period of about three months. Now you want to perpetuate this income, and build it to twice that amount coming in every month. What you do is take the income from that first ad, and increase your advertising. In other words, use it to buy ad space in as many other publications as possible.

If you first \$150 brought in \$3,000 from exposure in just one publication, \$2,000 will bring you \$50,000 from exposure in 10 different publications. Con-

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tinue multiplying your advertising exposure and it won't be long before you will be "snowed under" with dollar bills, checks and money orders. remember this though, you cannot really spend any of that money on yourself until the business is bringing in several thousand dollars per month on a regular basis. You have to pour it back into the business in order to allow your business to reach its full potential.

6) Make up a one-page "Money Tree" circular, similar to ours which included a reference material within this report. Be sure that you keep the cost to "find out about your program" to \$2 or less. Then, with a listing of money making reports such as ours—printed on the back of your "Money Tree" circular—shotgun this out to as many people as possible.

We've had outstanding success handing them out at local shopping centers, passing them out door-to-door, and by including them as "ride-alongs" with our bulk junk mailing program. The important thing again, is to present your offer to as many different people as possible—particularly to those people with an itch to get rich quick...

In addition to circulating you "Money Tree" flyers by hand, you should rent or buy-on a regular basis—as many different mailing lists on income opportunity seekers as you can afford, and shotgun one of your circulars to each of these names. The publisher of this report (PREMIER) has names and addresses of customers for \$35 per thousand, on peel and stick labels. You can also find inexpensive mailing list suppliers in just about any publication that carries mail order advertising.

For sure, you should spend the money to obtain a 3rd class bulk rate mailing permit, and then use it to send out all your mailings. Start by sending out 250 pieces per week, and then gradually increase your volume to the point where you're sending out 5,000 or more pieces per week, and you'll be in business.

7) So the secrets to getting rich in mail order have to do with presenting a free offer most people will find hard to pass up. You make your money from whatever you send out in reply to the people taking you up on the free offer.

You send them a copy of the free report, plus your multi-level marketing brochure. You can stop there if you want, but there's lots more money to be made just from these initial efforts.

Follow-up offers to people who, themselves are out beating the buses attempting to drum up extra income, is the way the game is played. So, when you receive all these names and addresses of people interested in receiving a report on multi-level marketing, you compile the names and rent or sell them to other multi-level operators.

Besides including your "Money Tree" circular, and the mailing list rental offer, you should also include a one page circular describing and offering for sale, a listing of your money-making reports. And then, by soliciting co-op mailings

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from other mail order operators, you'll have a "pretty full" envelope of offers going out.

Finally, the one thing you must always bear in mind is how your mailing package looks to the person receiving it. Your envelopes should be professionally printed with your return address—your sales letters should be written to impress the recipient; no misspelled words or smudges from erasures or worn out typewriters; and the eye-appeal of your coupons or offers which are included; and by all means, the quality of your multi-level brochure. Although multiple colored printing does tend to pull better than just black and white, you can do very well starting with just black and white materials so long as the image you project is all professional. Photo-copying your offers hoping for the best, just won't do. The more affluent you appear to be, from your envelope to each offer contained within, the better your chances of making a sale.

So, that's how it's done—you can take these methods of how we've done it, maybe even improve upon them a bit, and make tons of money—or you can set everything aside and tell yourself that you'll get started on it next week. The thing is, the instructions are valid and the opportunity is here and now—whatever you do is up to you.

Making The Grant Process Simple

Have you ever had a big project you needed to start, but didn't know what to do first? Perhaps it is something which required a lot of labor, like landscaping your yard or remodeling your house. When you undertake a project of this magnitude, it's not uncommon to feel overwhelmed and discouraged by the amount of work which needs to be done. But once you find a starting spot and get things going, it seems all to fall in place.

That's just the way you need to think about a grant proposal.

If you have ever considered applying for a grant but were intimidated by the rather lengthily and complicated procedure, then maybe you need a little help finding a place to start. Once you get your feet on the road, you'll find the journey much easier than you imagined.

Let's go back to the comparison between writing a grant proposal and remodeling your house. If you were going to remodel, lay down new carpet and reupholster the sofa—you wouldn't start by ripping up the old carpet. Nor would you begin by slapping a new coat of paint on the walls or tearing down the old drapes. In fact, you would probably begin the project by taking out your Yellow Pages and looking under Home Improvements. This would give you a good idea which stores offer the kind of price range of these goods will be. Once you have a clear idea of what is available, you can call each store to talk to the salespeople and see if they had what you were interested in. Only after making this initial

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contact would you take the effort to drive down to the store and make a purchase.

So, like that home improvement project, receiving a grant starts with a little research. First you'll want to determine what is available. Then you need to make initial contact with the agency or foundation and see if your need for money fits their guidelines. Once that's done, you will find it easier to complete your proposal and obtain a grant.

Begin by going to the Yellow Pages of grants: The Foundation Directory. You can find this book in the reference section of your local library or, if you live in a rural area, you may need to travel to a larger public library in the nearest major city. In this lengthily directory you will find descriptions of every private grant foundation in the United States. By reading through these listings you will find grants for every purpose you can imagine, from education to artistic projects, scientific research to projects to help the homeless. You will also learn what kind of funding the foundations provide to these projects-some will offer a few hundred dollars, while others will give thousands and even millions of dollars a year.

There is another Yellow Pages for government money: The Catalog of Federal Domestic Assistance. Like the Foundation Directory, The Catalog of Federal Domestic Assistance lists every source of free money given away by the government, and the number of causes funded by private foundations is dwarfed by the scope of government grants.

While looking through these grant listings, jot down the addresses and phone numbers of any foundations or government agencies which look promising along with any other important information. Later, you will be able to access this list easily rather than having to go back through the entire book.

Now you have a list of initial contacts for your grant needs, much like you would have after glancing through the Yellow Pages for your remodeling needs. Next, you need to get a little more information about the foundations on the list just as you would about the hardware stores. But how do you do that? In the case of the home improvement stores, you would pick up the phone and call them. Unfortunately, you cannot make a phone call to most grant foundations and calling government agencies is an effort which is abortive as often as it is productive, but you can write a letter to them.

This letter, referred to as a "letter of inquiry," will be your first contact with the foundation. It is your way of reaching out and shaking hands with the foundation director and introducing yourself. In order to make a good impression, keep this letter brief and to the point. Being long winded or redundant will only start you off on a bad foot.

Many people are rather hesitant to compose this letter even though they stand to lose nothing and given thousands of dollars. Perhaps the reason is because they are not sure exactly what should be included in the letter. When put-

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ting your letter inquiry together, be sure to include:

- * Your name, address and phone number
- * A brief introduction and description of your project or need for money.
- * A Request for the foundation's annual report and grant application.
- * A request for a list of previous grant recipients, a sample grant proposal and the foundation's tax returns form the previous year.

The annual report is sort of a prospectus for the grant foundation. Reading it, you will learn exactly what the foundation gives money away for, how extensive your proposal will need to be, how much money they give away to particular projects, and when the applicant deadline is. Although not all foundations make the information available, if you can obtain a list of past recipients and a sample successful proposal you will be ahead of the game because you will have concrete examples to guide you. Or, you can contact the past grantees and inquire what they did to set their proposal or project above the others. With this information, you can hardly go wrong when you begin to write your own proposal.

Once you have your letter ready, send it out to every grant foundation you feel you might be eligible for. By sending one letter to each foundation, you will assured of a large volume of responses.

Soon the material you requested from the foundations will begin appearing in your mail box. When you read through all of these papers, you will discover that some foundations are not what you thought they would be, while others do not fund projects exactly like yours. However, you may discover that some of them are willing to give money. In fact, it shouldn't be too long before you have a list of at least a dozen foundations that are likely grant givers. It is to these you must send your finished grant proposal.

LENDING A HELPING HAND

"But I don't qualify for any of these grants!" That's one of the most common complaints uttered by grant seekers when paging through the Foundation Directory or The Catalog of Federal Domestic Assistance, and sometimes it's very valid. After all, most grants are very specialized, and many are not available to individuals. However, it's hard to imagine, with the huge variety of grants that are available, that someone is not eligible for any of them.

Most likely is the situation where, after receiving a grant, an individual might want to find another method to cash in on the process. It seems a shame to let all of that experience and research go to waste on a single grant.

So, rather than worrying about the fact that you have used up all your time and energy on one grant just for yourself, perhaps you should look into becoming a grant broker. Working as a grant broker, you will be acting as a middleman for nonprofit agencies looking for funding, and for government and/or private grant sources which have money to give away.

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There is a common misconception about nonprofit companies: Most people seem to think that they cannot engage in any activity which brings in cash. In reality, the nonprofit status simply means that the company cannot disperse its profit as bonuses among its employees. They can make money, pay regular salaries to their employees, advertise, and reinvest their profits by putting them back into the corporation.

The first thing to understand about being a grant broker is how to make money. Many first-time grant seekers imagine that a grant broker would do well charging a commission, or a percentage of the total grant awarded. This is true. So true, in fact, that it is illegal for grant brokers to collect a commission. Instead, they must charge a set fee for their services and collect only that amount. While this may seem somewhat limiting, it has one advantage: You will be paid whether or not you secure a grant for your nonprofit company.

You already know about your grant sources, so you'll need to research the other half of the equation: the nonprofit organizations in your area. There are two basic types of nonprofit groups which you will be able to help with your grant-seeking efforts-charities and social action organizations. Charities are any group whose main goal is to help human beings (the homeless, the poor, the handicapped) with their efforts. Social action organizations are groups involved with issues like animal rights, political decisions, the environment, etc.

As a grant broker, you must contact several of the nonprofit groups in your area and convince them that you can assist them in efforts by securing grant funds for them. The first contact can be made by simply using your free money letter; they will send you information about the organization and you will be able to determine if you are interested in finding financing for them. Or, if you are more confident about your grant-winning ability, you can introduce yourself and your service in the letter.

Once you have attracted the interest of the nonprofit group, you can either collect a small "finder's fee" for giving them a list of grants that they are eligible for and let them apply for the money themselves, or you can charge a bit more and write the grant proposal for the group yourself. Many nonprofit groups will insist on you doing this.

Remember, when approaching the nonprofit group, your grant experience is your resume. If you have secured a grant for yourself, tell them about it. If not, tell them that you have spent time researching grant sources and the application process. Once you have successfully secured grants for a few nonprofit groups, you will find that others will be much more receptive to your brokerage business. Some may actually seek you out and treat you very obsequiously. Your knowledge and experience are very important to them.

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ONE FINAL WORD OF ADVICE

If traditional sources of grant money haven't been working out, a final possibility might be corporations. Large companies often give money for public projects. Many of these companies already have their own foundations (i.e. the Ford Foundation), but others may have programs which are not specifically mentioned in the Foundation Directory.

If you think you have a project which might interest a corporate philanthropic program, consider all the major companies in your area. Many corporate programs are geographic in nature, that is, they may apply mainly to the region in which the company has a major base of operations. Unfold a map of your area and draw a 25-mile radius circle around your house. Then consider all the major industries which fall into all circle and start writing. If none of these attempts pan out, you can start trying other companies at progressively farther distances away. As a last resort, try large companies out of state. Exhaust all possibilities, and always remember that the money may not be where you think it is.

Once you compose your letter of introduction, you may be wondering who to send it to. Here is a brief list of grant foundations to which you can mail your letter. If you'd like more information, check The Foundation Directory in your local or The Secrets Of Getting Free Money by Tim Darth

50 Ways To Make More Money In Network Marketing

1. Use your products regularly.
2. Make a total commitment to your program for at least one year.
3. Sell yourself first, then the products and the marketing plan.
4. Spend 90% of your business time with distributors, customers and prospects.
5. Present your products and marketing plan personally to at least one person daily.
6. Let everyone know what business you are in. Advertise.
7. Make "understanding people" more important than product knowledge.
8. Duplicate yourself by making distributors independent of you.
9. Motivate your group monthly by offering money, travel, recognition and other rewards for specific achievements.
10. Praise your distributor's accomplishments.
11. Mingle with top distributors and ask how they made it.
12. Be persistent - only one out of every 20 people you approach may get serious about the business or be interested in your products.
13. Lead by example. Never stop recruiting, training and retailing.

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14. Keep it simple: do things others can easily duplicate and copy.
15. Keep in touch - communicate by newsletter, meetings, weekly calls, postcards, voice mail - pass on pertinent information immediately.
16. Conduct simple, brief, dramatic presentations.
17. Listen 80% of the time, talk 20%.
18. Satisfy all complaints immediately.
19. Concentrate on what you can do for your distributors and customers, not on your own profits.
20. Ask for referrals from your best customers.
21. Give customers more than they expect. Everyone loves a free gift.
22. Develop at least 30 retail and/or wholesale customers.
23. Provide one-day delivery service.
24. Believe in your products so much that you know every person you talk to is going to buy from you.
25. Tell your customers how much you appreciate their business.
26. Don't accept "no" as a final answer - approach each prospect at least 12 times a year with new information.
27. Send customers monthly promotional information. Don't your forget your customers and don't let your customers forget you!
28. Speak enthusiastically about your business and products.
29. Work on top priority projects that produce the highest returns.
30. Build your list of contacts daily while you build your reputation.
31. Approach former top producers. They are always open.
32. Fit the needs of a prospect with the benefits of your products and/or business opportunity.
33. Organize your files so you can locate any piece of information in 30 seconds.
34. Use an answering machine or service, and return all calls within 24 hours. Use a cellular phone for best service.
35. Set daily, weekly, monthly and yearly goals - and do whatever is necessary to achieve them.
36. Do not pass negative rumors downline! Check the facts yourself.
37. Listen to cassette tapes on multi-level tips from top earners.
38. Subscribe to multi-level magazines. Read self-help books.
39. Expand your distributorship world-wide. Think big!
40. Tell others what they are interested in knowing, not what you think they should hear.

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41. Spend money on things that will make you more money.
42. Schedule important tasks at the time of day when you are your best.
43. Delegate - do those things only you can do.
44. Read biographies of successful people to be inspired by their lives.
45. Present business opportunities and training regularly.
46. Plow your profits back into building your business.
47. Know that if others can do it, so can you. Challenge yourself.
48. Give yourself a reward for reaching your goal and a penalty for falling short.
49. Have so much fun in your business that others want to join you.
50. Do it now!

The Bare-Bones Basics Of Multi-Level Marketing

Multi-level marketing is the biggest growth industry in the 1980's. It is the industry that has made corporate giants of Amway, Shaklee, Mary Kay and Herbalife. It has been termed as the last true rags-to-riches opportunity left in North America, and its ability to bring enormous incomes to almost anyone is legend. In fact, it is expected to make more new millionaires by 1990 than any other industry, and soon after will be the single most popular method of bringing new products to the consumer.

The first multi-level companies sprung up in the 1930's, but they were dinosaurs compared to modern marketing strategies. It wasn't until the mid 60's that MLM gained international prominence. In 1985, it is estimated that \$5 billion worth of new products will be sold by this method.

MLM offers the opportunity for anyone to operate their own business. For less than \$50 in many cases, you can get involved with a legitimate MLM program and earn from \$100 a month to hundreds of thousands of dollars a year. Most incomes naturally fall between those two extremes, but the earning potential in almost any good company is virtually unlimited. The only limits are set by marketer himself, by his time, energy, persistence, and faith in his product the people he works with. A superstart in MLM need only be a caring, sharing person, energetic and highly motivated. Some of the most amazing success stories in MLM have been hard-luck Harry's and bored housewives with no previous marketing or sales experience.

The root of MLM success is the sponsoring of new people into their businesses, much in the same way sales agents find new retailers to handle their products. Successful organizations such as Amway and Mary Kay have thousands of distributors, but even these had to start with one or two motivated people sponsoring a few other motivated people.

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The ultimate test of an MLM company is the quality, price and reusability of the product. A good firm is usually founded on products with rapidly expanding popularity, day-to-day use in the home, and a regular repurchase required. They should be better quality and at least as competitively priced as the same goods bought in stores.

Here are the barebones mechanics of MLM

1. You become involved with an MLM company first as a customer because the product offers substantial quality and savings.

2. Because the products are good, you tell others about them.

3. Rather than send these people to your distributors, you become a sponsored distributor yourself for these new people. And if these people, let's say there are five, know five other who will buy the product, you have 25 people buying products through you.

4. If these 25 each know five people, you have 125. If those 125 know five people, you have 625 at the fourth level buying through you in a distributor's network you built from only five people. If these people purchased only \$30 month worth of products, that would be \$300,000 in gross sales, and you could expect to earn at least one quarter of that figure, probably much more.

5. Commission and bonuses vary with product and company, but most go through four to eight levels, and have two or three levels at which substantial higher commissions are paid. This encourages new distributors to build those levels.

6. Some of the networks-inside-of-the-networks will end at certain levels with people buying but not sponsoring new people. And some will involve more than five people. Distributors will always be your best customers and biggest moneymakers.

7. The best companies are the blue chip firms offering a wide range of products such as Amway and Shaklee. New ones emerge all the time and some of the faddier MLM companies die quickly. but they can still make good money quickly for distributors with established "downlines".

Choose your product line carefully, recruit heavily and always expand your business education as you grow. MLM is a big field with big rewards for anyone, absolutely anyone who can commit themselves to success at any cost.

99 Ways For A Photographer To Make Money

SPECIAL EVENTS

1. Photograph vocational school graduates
2. Wedding photographer
3. Photograph large parties
4. Photograph at banquets

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5. Prom and graduation photos
6. Photograph fashion shows
7. Photograph trade shows
8. Wedding movies
9. Photograph new stores' grand openings
10. Photograph local performances
11. Commencement day photographs

PEOPLE

12. Take pictures of people mounted on a horse
13. Make polaroid pictures of seamen going abroad
14. Take pictures of people wearing special costumes
15. Photograph people on a fancy motorcycle
16. Take pictures of people in nightclubs
17. Take pictures on the beach
18. Antique photo shop - produce 1890's type portraits for the nostalgic
19. Take I.D. photos
20. Take passport photos
21. Specialize in legal photography
22. Produce community yearbooks
23. Produce company year books
24. Produce composites for models, actors and actresses
25. Photo fund raising
26. Take slow-motion sports film for athletes
27. Take executive portraits
28. Photograph children on a pony
29. Take portraits of children in department stores or malls
30. A day in a child's life - an album of 30 pictures
31. School photography
32. Santa Claus portraits
33. Travelling industrial photographer
34. Illustrate manufacturers' sales manuals and catalogs
35. Illustrate manufactuers' sales manuals and catalogs
36. Public relation photos for business
37. Photograph store fronts
38. Produce progress photos on construction sites
39. Real estate photography

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40. Produce illustrated promotional brochures for business firms, hotels, etc.

41. Interior decorator's photographer

42. Photograph in-store merchandise displays

ON THE ROAD

43. Foreign fashion photography for textile and fashion manufacturers

44. Photograph tourists in famous places

45. Summer camp photographer

46. Roving festival photographer

47. Sell scenic prints to gift shops and hotels

48. Offer personalized vacation photo packages to resort clients

49. Sell slide shows of interesting places or subjects

50. Build a mobile portrait studio in a trailer or van

51. Be a slide-show lecturer on different subjects and geographic locations

MAKING NOVELTIES

52. Candid keychain photos

53. Photo stamps

54. Color postcards for hotels or resorts

55. Exceptional color scenes for calendar printers

56. Personalized Christmas cards - family portraits or photos of family home

57. Photo buttons

58. Photographs on coffee mugs

59. Photographs on shirts

60. Imprint a photograph of a child on the face of her doll

61. Photo sculptures

62. Bookends adorned with any desired photographic subject

63. Decorative photo plaques

64. Personalized photo matchbooks

65. Instant personal postcards by gluing polaroid shots to blank postcards

66. Stationery imprinted with personal portraits

67. Custom calendars

SERVICES

68. A microfilming service

69. Photo duplicating service

70. Slide duplicating service

71. Restoring old photos

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- 72. Producing filmstrips
- 73. Duplicating negatives to sell
- 74. Slide-titling service
- 75. Making offset negatives and plates
- 76. Collecting old photos to make into books
- 77. Making photomurals
- 78. Retouching service
- 79. Custom photo lab
- 80. Blowing up photos, on the spot
- 81. Photo oil portraits
- 82. Selling prints to photo agencies
- 83. Camera rental
- 84. Camera exchange
- 85. Repairing cameras
- 86. Teaching photography

MISCELLANEOUS

- 87. Making postcards
- 88. Publicity photography
- 89. Photographic essays for various publications
- 90. T.V. news freelancing
- 91. Selling news photos
- 92. Taking and selling peculiar photos
- 93. Selling local photos for travel magazines
- 94. Aerial photography
- 95. Documentary film making
- 96. Photos of human interest
- 97. Composing photo guides for tourists
- 98. Photographing accidents for lawyers and insurance companies
- 99. Photographing parades

Riches Through Creative Thinking!

When solving problems after you have exhausted the normal means of coming up with the solution, think in terms of unorthodox methods. Vary your thinking and try to solve the problems by creating something completely new and irrelevant. Come into the problem through the “back door”.

Research and curiosity go hand in hand in solving the toughest problems. Quite often the answer is so simple, it is not obvious to us. Use an organized plan

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to work with and record the results logically so you will have a format to follow and a basis for review as you proceed to create something new or solve an “unsolvable” problem.

Creating new programs or products by association is another method of thinking. You first think of an object which is similar or adjacent to the subject item, then continue the “chain” of associated thoughts until new and useful programs or products emerge as ideas. Relate these ideas to the subject item by trial and error or by analysis of all the variables involved.

Plain old fashioned “daydreaming” is another method of creative thinking. Make up a fantastic story in your mind and try to visualize (dream) your way to a successful conclusion based on what results you are trying to achieve.

Consider all the alternatives to what you’re trying to come up with. Gather together and analyze all the data you can find about the subject. If you get into a rut, leave it lie. Go to some other aspect of the puzzle. come back to it later. Quite often as you progress it will suddenly appear, bright and clear. When it does, write it all down so you won’t lose it as your mind drifts to the next step.

Complete one step at a time. By breaking it down to size you can solve it in segments. Don’t try to override your mistakes. Recognize them and bury them so they will help, not hinder, your progress toward your creative goal.

Don’t further confuse the issue by doing so much study and research that there are too many roads to take.

Basic Uses Of Computer Bulletin Boards

You can use BBSes to send and receive messages from people all around the world where there is a telephone; send and receive various files and programs from people and companies; as well as play games, receive information, and just have a good a good time.

What Is A Computer Bulletin Board?

Computer bulletin boards are more commonly referred to as a bulletin board system, or “BBS” (for short). A BBS is a computer that uses a special program whaich allows other computers to call it up by using regular phone lines. A BBS is like a storage facility that permits people to send and receive messages through their computers, as well as send and receive files.

General Uses of BBSes

There are many uses for BBSes. You can use them like a regular (cork) bulletin board. You can use them to post jokes, notices, news flashes, and so on... You can also use them much the same way that you would use a CB. People can hold a “conversation” over the computer by sending messages back and forth just by typing the sentences into the computer, and posting them on a BBS. BBSes can

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also be used to send and receive private messages. You can use a BBS to gather information about a certain topic, as well as ask other people to help you with something. A lot of people exchange files and programs, and play games with people through the computer. You can also use BBSes to buy and sell things.

The Business Use of BBSes

Many businesses use BBSes to send electronic mail to distributors, and distributing networks. They use them also to talk to business prospects. Businesses use BBSes for a variety of reasons. Auto Repair Shops, Mail-Order Companies, Government Offices, Travel Agencies, Banks, and Sales Organizations are among the different types of businesses that frequently use BBSes to do business.

A Short History Of BBSes

In 1978, Ward Christiansen and Randy Suess wrote the first BBS software program. They called it CBBS (Computer Bulletin Board System). They designed the BBS to look like a real bulletin board that you would find in a supermarket, a school, or at the office. The idea was for people and businesses to be able to use their computers to exchange information, post messages and contact people over the phone.

Since then, BBSes have become mainstream, numbering close to over 40,000 public and 120,000 private BBSes. There are approximately 12 million BBS users nationwide, and growing daily as modems become standard equipment in every computer sold, growing at a rate of about 10,000 a day. Estimates suggest that by the year 2000 there will be more than 25 million BBS users nationwide. Get ready to give them information.

Avoiding Patent, Trademark And Copyright Problems

INTRODUCTION Patents, copyrights and trademarks, as well as know-how or trade secrets, are often collectively referred to as intellectual property. Many firms have such property without even being aware of it or of the need to take measures to protect it.

Many people's notions of intellectual property are unrealistic. Some believe, for example, that having a patent on a product will enable one to succeed in the marketplace. Consequently, they may spend thousands of dollars to obtain the exclusive rights to market something that no one wants or can afford to buy. Others may conclude that intellectual property protection is not worth the expense and bother.

People who may not be interested in protecting their own rights still must take precautions to avoid infringing on the rights of others. This calls for more than the avoidance of copying. Copying is unavoidable; it is a way of life and one way in which we learn. But, one can easily infringe on the rights of others without deliberately imitating specific features of goods or services.

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This publication addresses the steps newcomers to a market should take to avoid infringement and when they should take them.

PATENTS Most people have heard variations on a remark attributed to Ralph Waldo Emerson: If a man can make a better mousetrap than his neighbor, though he builds his house in the woods the world will beat a path to his door. To keep the discussion concrete, let's imagine a present day inventor of a new mousetrap who not only invents a better mousetrap but is also successful in marketing it. The higher the inventor's profit margin, the more others will want to copy his invention. Let's assume that the inventor selects Figaro as the brand name and actively promotes the product. However, he does not legally protect his invention, but relies on the consumers' loyalty, goodwill and brand identification to ensure future sales.

Taking measures to develop loyalty and goodwill may be sufficient until a larger and better known competitor turns up. For example, what if economies of scale and lack of development costs mean that the competitor can sell the same mousetrap for 20 percent less? Goodwill may not be enough to ensure customer loyalty at a higher price. A patent would be much more helpful, because it would prevent the competitor from selling the new trap until well after the original firm had a chance to get on its feet. This situation illustrates that it is the smaller firm that often has the most to gain from protecting intellectual property.

As bad as the situation is without patent protection, it could be worse. Let's assume that customers are so taken by the Figaro promotion that they are willing to pay the 25 percent premium the firm charges in order to stay in business. Imagine what would happen if the company had to stop using that name or had to face an expensive lawsuit. Imagine what would happen if it turns out that someone else actually has a current patent on one or more features of the better mousetrap. By failing to consider the intellectual property of others, the new firm would not only be forced to stop selling under the name Figaro, but might be forced to stop selling the mousetrap altogether.

AVOIDING PATENT INFRINGEMENT Utility patents - what people usually mean when they use the term patents - provide 17 years of exclusive rights for inventions that deal with the way things work. Design patents afford 14 years of protection for significant improvement in the appearance of useful items, such as car bodies or furniture. Both of these patents do more than prevent copying; they forbid the making, using or selling of an invention similar to or the same as the protected invention, even though the second invention was independently created. (Plant patents, which will not be covered in this discussion, may not give the same protection.)

Copying may actually be a way to avoid infringement. The inventor of the mousetrap might have avoided potential problems by using technology that was

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described in a printed publication, publicly used or on sale. Products that are on sale and give no notice of patent coverage are relatively free from the risk of infringement.

Any person trying to market fairly new technology that doesn't appear to be patented should keep in mind that an inventor has one year from public sale or disclosure within which to file a patent application. In addition, because patents often take two or more years to obtain, there is still a chance that a patent could be issued at a later time. Although there is no liability for infringement prior to issuance of a patent, a competitor would have to cease making, using or selling the technology once the patent was issued, thus risking the loss of both start-up costs and inventory.

Of course, if our inventor was determined to make a better mousetrap, there would be no interest in copying something else in the market. Still, before spending too much time and money on research, the inventor should ensure that others do not have exclusive rights in the area being explored. The inventor certainly should not assume that, because a product is not on the market, it is unpatented. As many independent inventors have learned to their chagrin, it is usually easier to patent something than to market it profitably.

A PATENT SEARCH The inventor should hire a patent attorney or agent to conduct an infringement search. A patent agent is a technically trained person who has passed a special examination given by the U.S. Patent and Trademark Office; a patent lawyer is one permitted to draft contracts and provide other general legal services. Patent searches can be expensive if one must consult foreign records; it is much less costly to determine whether technology is currently patented in the United States. Yet, as we will see, there is value in going somewhat beyond that point.

A search might reveal that (1) someone else had a patent that has since expired, i.e., the information patented is now in the public domain; (2) no current or expired patents cover the area of proposed research or (3) someone else has a current patent covering all or part of the proposed design. Let's consider these potential results in order.

THE INVENTION IS IN THE PUBLIC DOMAIN

If the mousetrap (or an obvious variation) was disclosed in an expired patent, the inventor is free to manufacture and market it without concern for the patent laws. Also, even if the inventor didn't find exactly what he or she originally had in mind, a host of good and freely used ideas that are even better might have been discovered. These alone could be worth several times the price of the search in saving research and development time.

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ONE OR MORE ELEMENTS OF THE PROPOSED MOUSETRAP APPEAR TO BE NEW

If, after a thorough search, our inventor's proposed improvements to the mousetrap seem not only to be novel but also to offer significant advantages over the prior design, the inventor may seek a patent and/or begin selling the mousetrap without further ado. If, however, the inventor begins selling without first filing a patent application, he immediately forfeits possible protection in many other countries and also forfeits any possibility of patent rights in the United States after one year.

ASPECTS OF THE PROPOSED DESIGN ARE COVERED BY A CURRENT PATENT

If an unexpired patent is found to cover any part of the proposed mousetrap design, the inventor knows that he is not free to use it without a license. Infringing on a current patent exposes one to a suit for damages as well as an injunction against future use. Even an injunction might mean substantial costs, including the loss of current inventory, and a patent covering even a small feature of the new mousetrap might give rise to the need to retool. Although deliberate infringement is more serious, ignorance of others' patents is no defense.

TRADEMARKS

Trademarks (or brand names) indicate commercial source. Trademarks may be words, logos or other symbols indicating that goods come from a particular company. They may even be sounds, three-dimensional symbols (such as the well-known McDonald's golden arches) or colors. There are also service marks, which indicate the source of services, and other kinds of marks that will not be considered here.

As with patents, one can infringe on another's marks without copying them or even being in direct competition with their owner. All that is necessary is to use the same or a similar mark under circumstances in which consumers may be confused as to the source or sponsorship of the goods or services.

A TRADEMARK SEARCH

A trademark search is the only way to find out whether Figaro or something confusingly similar is being used by others as a mark for a mousetrap (or perhaps such things as rodenticides) in the proposed market area. It is also necessary to determine whether the mark has been registered in the U.S. Patent and Trademark Office, which could give the registrant rights well beyond the market areas currently occupied.

There are two reasons why a search may not be sufficient. First, in the United States, it is unnecessary for a firm to do more than use a good mark to have trademark rights in its market area. Consequently, a search may not locate all such prior users. Second, people may be able to prevent the use of a potential mark

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without having used it as a mark themselves; for example, when a trademark can be associated with others in such a way that consumers might presume that some kind of relationship might exist. This is where the mark Figaro would run into trouble.

As you may recall, Figaro is the name of the cat in the Disney film Pinocchio. Although the Walt Disney Company does not have a monopoly on the use of the name, it might nevertheless be able to prevent it from being used on a mousetrap.

COPYRIGHTS

A copyright provides an owner with the exclusive rights to reproduce a certain work for a specified period, subject to some basic limits. The term of a copyright is the lifetime of the author plus 50 years in the case of identifiable, living authors. Copyrights arise automatically and are inexpensive to register.

Searching for a prior copyright is probably unnecessary. Copyright infringement can be avoided by establishing that a work was independently created. Therefore, records showing independent creation are helpful to avoid liability. Even with such records, establishing independent creation may be difficult if the original work was widely disseminated or otherwise available to the alleged infringer. In one such case, the court held that, although copying may have been unconscious, the original was nevertheless infringed.

One of the limits to copyright protection is that ideas (compared to expressions) and technology (computer software aside) are generally not protected. This means that our inventor is free, at least as far as copyright laws are concerned, to use any information that can be found in books on mousetrap designs and to make and sell working copies of anything shown or described. Copyright gives the owner only the right to prevent reproduction of the text or drawings themselves.

What if the inventor wants to use some of that text, for example, in an advertisement? There is a remote possibility that such use might be protected under the “fair use” defense, but it would be very unwise to proceed without getting permission from the copyright holder or seeking expert advice.

TRADE SECRETS

Trade secrets overlap the subject matter of copyrights and patents. As long as efforts have been made to preserve secrecy, a suit may be brought to redress the misappropriation (or wrongful taking) of almost any kind of information of competitive value. Misappropriation includes industrial espionage and breaches of confidential relationships (for example, by former employees), but it does not include reverse engineering. Thus, a trade secret suit will not succeed if an aspect of a product’s design or construction was obtained by examining an item purchased in the marketplace. Nor will a suit be useful against those who independently discover a secret process or recompile commercially valuable infor-

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mation.

The risk of being accused of misappropriating a trade secret is never very high, particularly if one seeks competent legal advice before using unlicensed information that has not been obtained through reverse engineering.

THE NEED FOR EXPERIENCED COUNSEL

Any attorney admitted to practice in any state in the country is technically qualified to register trademarks with the U.S. Patent and Trademark Office or copyrights with the U.S. Copyright Office in Washington D.C. Unlike the situation with patents, no special examination is given to determine whether the attorney is familiar with the copyright or trademark law or registration procedures, for example. Clients are advised to seek an attorney who specializes in such matters.

SUMMARY

Whether or not our mousetrap inventor takes measures to preserve the intellectual property, he or she certainly should avoid infringing on the rights of others. Although this is not difficult in the case of copyrights and trade secrets, patents and trademarks are another matter altogether.

Unquestionably, it costs precious start-up capital to have patent and trademark searches performed; however, proceeding in a new venture without doing so is equivalent to erecting a building or signing a long-term lease without checking the real estate title. Searches will not make the product appeal to the public, but they will ensure enjoyment of any hard-won market success. A patent search is comparatively cheap insurance against the possible need to retool or to absorb inventory losses. Moreover, a close look before adopting a trademark is cheaper in the long run than the cost of advertising and new promotions designed to advise customers to seek the mousetrap under a new name.

APPENDIX A: FURTHER INFORMATION ON INTELLECTUAL PROPERTY

Patent and Trademark Office, Washington, DC 20231, or the United States Trademark Association, 6 E. 45th Street, New York, NY 10017. Both publish free or inexpensive booklets.

A booklet for independent inventors, "So You Have An Idea", is available from the Innovation Clinic, 2 White Street, Concord, NH 03301. To order it send \$2.00 and a self-addressed mailing label. The Innovation Clinic also has a set of HyperCard stacks (for Macintosh computers) covering several topics of interest to inventors and small business owners. These are available for \$5.00 and a self-addressed mailing label.

Write to the Copyright Office, Washington, DC 20559, indicating the subject matter in which you are particularly interested, for example, music or arts.

You may want to consult one or more of the many inventors' handbooks available at public libraries. One example is "How to Profit From Your Ideas", Flemming Bank, 1985 (\$12.95). Bank and Associates, P.O. Box 20365, Portland, OR

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97220. This is a step-by-step guide that shows how you can make money by turning your creative ideas into marketable products.

APPENDIX B: INFORMATION RESOURCES

U.S. Small Business Administration (SBA)

The SBA offers an extensive selection of information on most business management topics, from how to start a business to exporting your products.

This information is listed in "The Small Business Directory". For a free copy contact your nearest SBA office.

SBA has offices throughout the country. Consult the U.S. Government section in your telephone directory for the office nearest you. SBA offers a number of programs and services, including training and educational programs, counseling services, financial programs and contract assistance. Ask about

- Service Corps of Retired Executives (SCORE), a national organization sponsored by SBA of over 13,000 volunteer business executives who provide free counseling, workshops and seminars to prospective and existing small business people.

- Small Business Development Centers (SBDCs), sponsored by the SBA in partnership with state and local governments, the educational community and the private sector. They provide assistance, counseling and training to prospective and existing business people.

- Small Business Institutes (SBIs), organized through SBA on more than 500 college campuses nationwide. The institutes provide counseling by students and faculty to small business clients.

For more information about SBA business development programs and services call the SBA Small Business Answer Desk at 1-800-8-ASK-SBA (827-5722).

Other U.S. Government Resources Many publications on business management and other related topics are available from the Government Printing Office (GPO). GPO bookstores are located in 24 major cities and are listed in the Yellow Pages under the "bookstore" heading. You can request a "Subject Bibliography" by writing to Government Printing Office, Superintendent of Documents, Washington, DC 20402-9328.

Many federal agencies offer publications of interest to small businesses. There is a nominal fee for some, but most are free. Below is a selected list of government agencies that provide publications and other services targeted to small businesses. To get their publications, contact the regional offices listed in the telephone directory or write to the addresses below:

- Consumer Information Center (CIC), P.O. Box 100 Pueblo, CO 81002. The CIC offers a consumer information catalog of federal publications.

- Library of Congress Copyright Office, Register of Copyrights, Washington, DC 20559

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- Patent and Trademark Office (PTO), Washington, DC 20231. Public Service Center: (703) 557-INFO

- U.S. Department of Commerce (DOC), Office of Business Liaison, 14th Street and Constitution Avenue, NW, Room 5898C, Washington, DC 20230 DOC's Business Assistance Center provides listings of business opportunities available in the federal government. This service also will refer businesses to different programs and services in the DOC and other federal agencies.

Nongovernment Organizations - Software Publishers Association, 1101 Connecticut Avenue, NW Suite 901, Washington, DC 20036

- United States Trademark Association, 6 E. 45th Street, New York, NY 10017

For More Information A librarian can help you locate the specific information you need in reference books. Most libraries have a variety of directories, indexes and encyclopedias that cover many business topics. They also have other resources, such as

- Trade association information - Ask the librarian to show you a directory of trade associations. Associations provide a valuable network of resources to their members through publications and services such as newsletters, conferences and seminars.

- Books - Many guidebooks, textbooks and manuals on small business are published annually. To find the names of books not in your local library check "Books In Print", a directory of books currently available from publishers.

- Magazine and newspaper articles - Business and professional magazines provide information that is more current than that found in books and textbooks. There are a number of indexes to help you find specific articles in periodicals.

In addition to books and magazines, many libraries offer free workshops, lend skill-building tapes and have catalogues and brochures describing continuing education opportunities.

What Is Multi-Level And How Should It Be Worked?

Multi-level marketing is really a partnership. You go into business with someone that has the same interests and goals you have. You make a commitment to each other. You work with the same people. Working multi-level marketing correctly not only makes success easier, it eliminates many problems.

The hardest thing is to find the person you want to work with (your sponsor). You want someone who is willing to work and assist you when needed. You should join programs under the same person all the time. This makes for a solid downline. If your sponsor isn't interested in a particular program, contact his sponsor. By doing this, you will strengthen your group.

Many people complain about others stealing their people. They seem to

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think that just because they signed someone up once, they should always have them. If someone gives their downline the help and assistance they should, there would be no need for them to worry about someone stealing them away. They should want to continue with you because they know you will help them. Why should someone stick with you if all you do is collected commissions from them? Can you really blame them for not following you into other programs?

Take a look at the other side of the “coin”. Having the right people in your downline is just as important as having the right sponsor. If someone sponsored you into a program and helped you, don’t expect them to sign you in another program if you haven’t tried to do anything on you own. Granted, they make money for those they sponsor for you, but why should they make you money if you don’t do anything?

Mailing out hundreds of brochures may get you several people in your downline. This may look good on a printout, but what about on a commission check? Would you rather have a printout a foot long with a small check - or a small printout with a large check?

Be choosy in whom you recruit. Let them know what you expect from them and what they can expect from you. Level with them completely about the program you are trying to get them into. Having 2 or 3 good people will make you more money than having 10 or 12 deadbeats.

Don’t join every program that comes along. Find one you like and work it. It takes time to build a solid downline. Help your downline and have them do the same. This way everybody will make money. You can’t expect to keep your downline if you leave them stranded when you get into profit.

You have to help them get in profit too. They will be more apt to follow you in other programs this way.

Be careful what you promise people. Remember, nothing is guaranteed. Be as honest as you can. Don’t tell someone you’ll do something if you can’t. Offer your help, but guarantee nothing. No matter how good something might seem, it might not work. If you mislead people, how long do you expect to keep them?

Doing things this way may take a little longer, but look at the advantages!

You have a solid downline.

You don’t have to race to the phone or mailbox to be first to contact someone.

Because you are working with the same people, you will get to know them.

You will have a steady income. You don’t have to worry about finding new “schemes” and new “victims” every few months.

Actually, four things are needed to be successful in MLM. A good product, a good marketing structure, a good sponsor and a strong downline. The time and

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money spent to find these four things is well worth it. Don't settle for anything less. To do so will only restrict the goals you can achieve.

Once you have found these four things, it's easy. All you have to do is keep in touch with your 5 or 6 people. If everyone does this, no one will fail. Everybody will be a success.

Advertisements For 4 Powerful Reports

===== 1" AD for reports =====

MLM PROFITS CAN BE YOURS!

We have the information you need to make it big in MLM!

4 typeset reports (with reprint rights and camera ready ads), includes list of the top 35 networking companies in the USA offering good income opportunities. Yours for just \$4.00.

===== 2" AD for reports =====

REAL MLM PROFITS! YES!

You can make it big in MLM. We have the information you need to succeed: 4 professionally typeset reports (includes reprint rights and camera ready ads).

These reports will:

- Reveal the truth about MLM programs
- Show you how to choose a winning MLM program
- Show you how to parlay any MLM program into real riches
- Provide a list of top 35 companies in the USA offering networking opportunities.

Order yours today - just \$4.00!

===== 2-1/2" x 5" AD for reports =====

EASY MLM PROFITS

Only when you know how to choose a winning multi-level program!

We have the information you need to succeed in any MLM program.

FOUR reports will show you:

- The truth about Multi-Level Programs
- How to Choose a Winning Multi-Level program
- How to Parlay any Multi-Level Program into Real Riches
- Names and Addresses of top 35 companies in the USA Offering Network Marketing opportunities.

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This outstanding offer includes complete reprint rights with camera ready ads (1", 2" & 2/5x5" sizes) to help you market these professionally typeset reports. Only \$4.00!

What Makes An Entrepreneur Tick?

It is only natural that when you start a business, you are doing something different than most people. They not only will look at you because you stick out like a sore thumb _ but human nature will cause people to naturally ridicule what you are doing. They will tell you all types of things like: "You're not business material." "You can't make a living working for yourself." "You'll fail because nobody can ever make any money that way."

Entrepreneurship is not just about having a lot of ideas or business sense. It is also about having a lot of guts. You have to build self-confidence in yourself. You have to only be concerned with pleasing yourself and your Creator (God) _ not mankind. Then, when (and if) you should fail with this particular venture, you'll just dust yourself off and start again. It doesn't matter if people "think" you're nuts! They aren't paying your rent and running your life. Don't be concerned with what people "think" you should be. Just please yourself and do what you feel is right. People are too busy competing with society and "keeping up with the Jones's" that they do things they are not comfortable with just to appease them and look "normal" (whatever that is.)

And if you have to _ start out small in building your self-confidence. I used to be so self-conscious that I would never eat at a restaurant alone because I thought people would believe I was lonely and had no friends. Unbelievable, but true. But, everyday I worked on walking into a restaurant, taking a magazine to read and eating alone. I would glance around, and to my amazement, no one ever looked at me. No one cared that I was eating alone. Then _ it dawned on me; "Who cares what these people think? I'll never see them again." Besides, there were a lot of other people eating alone also and I could absorb myself in the magazine I had took to read. Now, I can eat in restaurants and not give any thought to the people around me.

But back to business _ when most people do fail in business they try to "save face" by telling everyone they are "just in a slump" and everything will be back to normal soon. Besides, they don't want people to say: "I told you so" and destroy any pride they are still hanging onto. Unfortunately, this only delays the problem and creates even more false hope for the people in your life as well as yourself.

The best thing to do for anybody in this catastrophe is to swallow their pride and admit they screwed up. Just face it head on! Admit that you were so proud of your accomplishments that your mind became diluted with "visions of sugar plums and fantasyland."

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If your small business is beyond repair, go out and find a job and begin working on your next small business in the near future. Keep your family fed and your financial obligations met but look forward to the day when you **WILL** succeed with your new business venture.

And why should you try again? Simply because you won't make the same mistakes you made this time. If you built something successful before (but failed), you are certain to build the next business stronger and wiser. Even if you fail the second time, it won't be because of mistakes you made the first time. You'll learn more and more _ and eventually be successful. It's inevitable!

A Venture Capital Primer For Small Business

By LaRue Tone Hosmer Professor and Chairman Policy and Control Graduate School of Business Administration at The University of Michigan Ann Arbor, Michigan

Summary

Small businesses never seem to have enough money. Bankers and suppliers, naturally, are important in financing small business growth through loans and credit, but an equally important source of long term growth capital is the venture capital firm. Venture capital financing may have an extra bonus, for if a small firm has an adequate equity base, banks are more willing to extend credit.

This Aid discusses what venture capital firms look for when they analyze a company and its proposal for investment, the kinds of conditions venture firms may require in financing agreements, and the various types of venture capital investors. It stresses the importance of formal financial planning as the first step to getting venture capital financing.

What Venture Capital Firms Look For

One way of explaining the different ways in which banks and venture capital firms evaluate a small business seeking funds, put simply, is: Banks look at its immediate future, but are most heavily influenced by its past. Venture capitalists look to its longer run future.

To be sure, venture capital firms and individuals are interested in many of the same factors that influence bankers in their analysis of loan applications from smaller companies. All financial people want to know the results and ratios of past operations, the amount and intended use of the needed funds, and the earnings and financial condition of future projections. But venture capitalists look much more closely at the features of the product and the size of the market than do commercial banks.

Banks are creditors. They're interested in the product/market position of the company to the extent they look for assurance that this service or product can provide steady sales and generate sufficient cash flow to repay the loan. They

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look at projections to be certain that owner/managers have done their homework.

Venture capital firms are owners. They hold stock in the company, adding their invested capital to its equity base. Therefore, they examine existing or planned products or services and the potential markets for them with extreme care. They invest only in firms they believe can rapidly increase sales and generate substantial profits.

Why? Because venture capital firms invest for long-term capital, not for interest income. A common estimate is that they look for three to five times their investment in five or seven years.

Of course venture capitalists don't realize capital gains on all their investments. Certainly they don't make capital gains of 300% to 500% except on a very limited portion of their total investments. But their intent is to find venture projects with this appreciation potential to make up for investments that aren't successful.

Venture capital is a risky business, because it's difficult to judge the worth of early stage companies. So most venture capital firms set rigorous policies for venture proposal size, maturity of the seeking company, requirements and evaluation procedures to reduce risks, since their investments are unprotected in the event of failure.

Size of the Venture Proposal. Most venture capital firms are interested in investment projects requiring an investment of \$250,000 to \$1,500,000. Projects requiring under \$250,000 are of limited interest because of the high cost of investigation and administration; however, some venture firms will consider smaller proposals, if the investment is intriguing enough.

The typical venture capital firm receives over 1,000 proposals a year. Probably 90% of these will be rejected quickly because they don't fit the established geographical, technical, or market area policies of the firm—or because they have been poorly prepared.

The remaining 10% are investigated with care. These investigations are expensive. Firms may hire consultants to evaluate the product, particularly when it's the result of innovation or is technologically complex. The market size and competitive position of the company are analyzed by contacts with present and potential customers, suppliers, and others.

Production costs are reviewed. The financial condition of the company is confirmed by an auditor. The legal form and registration of the business are checked. Most importantly, the character and competence of the management are evaluated by the venture capital firm, normally via a thorough background check.

These preliminary investigations may cost a venture firm between \$2,000 and \$3,000 per company investigated. They result in perhaps 10 to 15 proposals of interest. Then, second investigations, more thorough and more expensive than

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the first, reduce the number of proposals under consideration to only three or four. Eventually the firm invests in one or two of these.

Maturity of the Firm Making the Proposal. Most venture capital firms' investment interest is limited to projects proposed by companies with some operating history, even though they may not yet have shown a profit. Companies that can expand into a new product line or a new market with additional funds are particularly interesting. The venture capital firm can provide funds to enable such companies to grow in a spurt rather than gradually as they would on retained earnings.

Companies that are just starting or that have serious financial difficulties may interest some venture capitalists, if the potential for significant gain over the long run can be identified and assessed. If the venture firm has already extended its portfolio to a large risk concentration, they may be reluctant to invest in these areas because of increased risk of loss.

However, although most venture capital firms will not consider a great many proposals from start-up companies, there are a small number of venture firms that will do only "start-up" financing. The small firm that has a well thought-out plan and can demonstrate that its management group has an outstanding record (even if it is with other companies) has a decided edge in acquiring this kind of seed capital.

Management of the Proposing Firm. Most venture capital firms concentrate primarily on the competence and character of the proposing firm's management. They feel that even mediocre products can be successfully manufactured, promoted, and distributed by an experienced, energetic management group.

They look for a group that is able to work together easily and productively, especially under conditions of stress from temporary reversals and competitive problems. They know that even excellent products can be ruined by poor management. Many venture capital firms really invest in management capability, not in product or market potential.

Obviously, analysis of managerial skill is difficult. A partner or senior executive of a venture capital firm normally spends at least a week at the offices of a company being considered, talking with and observing the management, to estimate their competence and character.

Venture capital firms usually require that the company under consideration have a complete management group. Each of the important functional areas—product design, marketing, production, finance, and control—must be under the direction of a trained, experienced member of the group.

Responsibilities must be clearly assigned. And, in addition to a thorough understanding of the industry, each member of the management team must be firmly committed to the company and its future.

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The “Something Special” in the Plan. Next in importance to the excellence of the proposing firm’s management group, most venture capital firms seek a distinctive element in the strategy or product/market/process combination of the firm. This distinctive element may be a new feature of the product or process or a particular skill or technical competence of the management. But it must exist. It must provide a competitive advantage.

Elements of a Venture Proposal

Purpose and Objectives—a summary of the what and why of the project.

Proposed Financing—the amount of money you’ll need from the beginning to the maturity of the project proposed, how the proceeds will be used, how you plan to structure the financing, and why the amount designated is required.

Marketing—a description of the market segment you’ve got or plan to get, the competition, the characteristics of the market, and your plans (with costs) for getting or holding the market segment you’re aiming at.

History of the Firm—a summary of significant financial and organizational milestones, description of employees and employee relations, explanations of banking relationships, recounting of major services or products your firm has offered during its existence, and the like.

Description of the Product or Service—a full description of the product (process) or service offered by the firm and the costs associated with it in detail.

Financial Statements—both for the past few years and pro forma projections (balance sheets, income statements, and cash flows) for the next 3-5 years, showing the effect anticipated if the project is undertaken and if the financing is secured. (This should include an analysis of key variables affecting financial performance, showing what could happen if the projected level of revenue is not attained.)

Capitalization—a list of shareholders, how much is invested to date, and in what form (equity/debt).

Biographical Sketches—the work histories and qualifications of key owners/employees.

Principal Suppliers and Customers

Problems Anticipated and Other Pertinent Information—a candid discussion of any contingent liabilities, pending litigation, tax or patent difficulties, and any other contingencies that might affect the project you’re proposing.

Advantages—a discussion of what’s special about your product, service, marketing plans or channels that gives your project unique leverage.

Provisions of the Investment Proposal

What happens when, after the exhaustive investigation and analysis, the venture capital firm decides to invest in a company? Most venture firms prepare

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an equity financing proposal that details the amount of money to be provided, the percentage of common stock to be surrendered in exchange for these funds, the interim financing method to be used, and the protective covenants to be included.

This proposal will be discussed with the management of the company to be financed. The final financing agreement will be negotiated and generally represents a compromise between the management of the company and the partners or senior executives of the venture capital firm. The important elements of this compromise are: ownership, control, annual charges, and final objectives.

Ownership. Venture capital financing is not inexpensive for the owners of a small business. The partners of the venture firm buy a portion of the business's equity in exchange for their investment.

This percentage of equity varies, of course, and depends upon the amount of money provided, the success and worth of the business, and the anticipated investment return. It can range from perhaps 10% in the case of an established, profitable company to as much as 80% or 90% for beginning or financially troubled firms.

Most venture firms, at least initially, don't want a position of more than 30% to 40% because they want the owner to have the incentive to keep building the business. If additional financing is required to support business growth, the outsiders' stake may exceed 50%, but investors realize that small business owner-managers can lose their entrepreneurial zeal under those circumstances. In the final analysis, however, the venture firm, regardless of its percentage of ownership, really wants to leave control in the hands of the company's managers, because it is really investing in that management team in the first place.

Most venture firms determine the ratio of funds provided to equity requested by a comparison of the present financial worth of the contributions made by each of the parties to the agreement. The present value of the contribution by the owner of a starting or financially troubled company is obviously rated low. Often it is estimated as just the existing value of his or her idea and the competitive costs of the owner's time. The contribution by the owners of a thriving business is valued much higher. Generally, it is capitalized at a multiple of the current earnings and/or net worth.

Financial valuation is not an exact science. The final compromise on the owner's contribution's worth in the equity financing agreement is likely to be much lower than the owner thinks it should be and considerably higher than the partners of the capital firm think it might be. In the ideal situation, of course, the two parties to the agreement are able to do together what neither could do separately: 1) the company is able to grow fast enough with the additional funds to do more than overcome the owner's loss of equity, and 2) the investment grows at a sufficient rate to compensate the venture capitalists for assuming the risk.

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An equity financing agreement with an outcome in five to seven years which pleases both parties is ideal. Since, of course, the parties can't see this outcome in the present, neither will be perfectly satisfied with the compromise reached.

It is important, though, for the business owner to look at the future. He or she should carefully consider the impact of the ratio of funds invested to the ownership given up, not only for the present, but for the years to come.

Control. Control is a much simpler issue to resolve. Unlike the division of equity over which the parties are bound to disagree, control is an issue in which they have a common (though perhaps unapparent) interest. While it's understandable that the management of a small company will have some anxiety in this area, the partners of a venture firm have little interest in assuming control of the business. They have neither the technical expertise nor the managerial personnel to run a number of small companies in diverse industries. They much prefer to leave operating control to the existing management.

The venture capital firm does, however, want to participate in any strategic decisions that might change the basic product/market character of the company and in any major investment decisions that might divert or deplete the financial resources of the company. They will, therefore, generally ask that at least one partner be made a director of the company.

Venture capital firms also want to be able to assume control and attempt to rescue their investments, if severe financial, operating, or marketing problems develop. Thus, they will usually include protective covenants in their equity financing agreements to permit them to take control and appoint new officers if financial performance is very poor.

Annual Charges. The investment of the venture capital firm may be in the final form of direct stock ownership which does not impose fixed charges. More likely, it will be in an interim form—convertible subordinated debentures or preferred stock. Financing may also be straight loans with options or warrants that can be converted to a future equity position at a pre-established price.

The convertible debenture form of financing is like a loan. The debentures can be converted at an established ratio to the common stock of the company within a given period, so that the venture capital firm can prepare to realize their capital gains at their option in the future. These instruments are often subordinated to existing and planned debt to permit the company invested in to obtain additional bank financing.

Debentures also provide additional security and control for the venture firm and impose a fixed charge for interest (and sometimes for principal payment, too) upon the company. The owner-manager of a small company seeking equity financing should consider the burden of any fixed annual charges resulting from the financing agreement.

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Final Objectives. Venture capital firms generally intend to realize capital gains on their investments by providing for a stock buy-back by the small firm, by arranging a public offering of stock of the company invested in, or by providing for a merger with a larger firm that has publicly traded stock. They usually hope to do this within five to seven years of their initial investment. (It should be noted that several additional stages of financing may be required over this period of time.)

Most equity financing agreements include provisions guaranteeing that the venture capital firm may participate in any stock sale or approve any merger, regardless of their percentage of stock ownership. Sometimes the agreement will require that the management work toward an eventual stock sale or merger. Clearly, the owner-manager of a small company seeking equity financing must consider the future impact upon his or her own stock holdings and personal ambition of the venture firm's aims, since taking in a venture capitalist as a partner may be virtually a commitment to sell out or go public.

Types of Venture Capital Firms

There is quite a variety of types of venture capital firms. They include:

Traditional partnerships—which are often established by wealthy families to aggressively manage a portion of their funds by investing in small companies;

Professionally managed pools—which are made up of institutional money and which operate like the traditional partnerships;

Investment banking firms—which usually trade in more established securities, but occasionally form investor syndicates for venture proposals;

Insurance companies—which often have required a portion of equity as a condition of their loans to smaller companies as protection against inflation;

Manufacturing companies—which have sometimes looked upon investing in smaller companies as a means of supplementing their R&D programs (Some “Fortune 500” corporations have venture capital operations to help keep them abreast of technological innovations); and

Small Business Investment Corporations (SBIC's)—which are licensed by the Small Business Administration (SBA) and which may provide management assistance as well as venture capital. (When dealing with SBIC's, the small business owner-manager should initially determine if the SBIC is primarily interested in an equity position, as venture capital, or merely in long term lending on a fully secured basis.)

In addition to these venture capital firms there are individual private investors and finders. Finders, which can be firms or individuals, often know the capital industry and may be able to help the small company seeking capital to locate it, though they are generally not sources of capital themselves. Care should be exercised so that a small business owner deals with reputable, professional find-

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ers whose fees are in line with industry practice. Further, it should be noted that venture capitalists generally prefer working directly with principals in making investments, though finders may provide useful introductions.

The Importance of Formal Financial Planning

In case there is any doubt about the implications of the previous sections, it should be noted: It is extremely difficult for any small firm—especially the starting or struggling company—to get venture capital.

There is one thing, however, that owner-managers of small businesses can do to improve the chances of their venture proposals at least escaping the 90% which are almost immediately rejected. In a word—plan.

Having financial plans demonstrates to venture capital firms that you are a competent manager, that you may have that special managerial edge over other small business owners looking for equity money. You may gain a decided advantage through well-prepared plans and projections that include: cash budgets, pro forma statements, and capital investment analysis and capital source studies.

Cash budgets should be projected for one year and prepared monthly. They should combine expected sales revenues, cash receipts, material, labor and overhead expenses, and cash disbursements on a monthly basis. This permits anticipation of fluctuations in the level of cash and planning for short term borrowing and investment.

Pro forma statements should be prepared for planning up to 3 years ahead. They should include both income statements and balance sheets.

Again, these should be prepared quarterly to combine expected sales revenues; production, marketing, and administrative expenses; profits; product, market, or process investments; and supplier, bank, or investment company borrowings. Pro forma statements permit you to anticipate the financial results of your operations and to plan intermediate term borrowings and investments.

Capital investment analyses and capital source studies should be prepared for planning up to 5 years ahead. The investment analyses should compare rates of return for product, market, or process investment, while the source alternatives should compare the cost and availability of debt and equity and the expected level of retained earnings, which together will support the selected investments. These analyses and source studies should be prepared quarterly so you may anticipate the financial consequences of changes in your company's strategy. They will allow you to plan long term borrowings, equity placements, and major investments.

There's a bonus in making such projections. They force you to consider the results of your actions. Your estimates must be explicit; you have to examine and evaluate your managerial records; disagreements have to be resolved—at least discussed and understood. Financial planning may be burdensome but it's one of

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the keys to business success.

Now, making these financial plans will not guarantee that you'll be able to get venture capital. Not making them, will virtually assure that you won't receive favorable consideration from venture capitalists.

The ABC's of Borrowing

Summary

Some small business persons cannot understand why a lending institution refused to lend them money. Others have no trouble getting funds, but they are surprised to find strings attached to their loans. Such owner-managers fail to realize that banks and other lenders have to operate by certain principles just as do other types of business.

This Aid discusses the following fundamentals of borrowing: (1) credit worthiness, (2) kinds of loans, (3) amount of money needed, (4) collateral, (5) loan restrictions and limitations, (6) the loan application, and (7) standards which the lender uses to evaluate the application.

Introduction

Inexperience with borrowing procedures often creates resentment and bitterness. The stories of three small business persons illustrate this point.

"I'll never trade here again," Bill Smith said when his bank refused to grant him a loan. "I'd like to let you have it, Bill," the banker said, "but your firm isn't earning enough to meet your current obligations." Mr. Smith was unaware of a vital financial fact, namely, that lending institutions have to be certain that the borrower's business can repay the loan.

Tom Jones lost his temper when the bank refused him a loan because he did not know what kind or how much money he needed. "We hesitate to lend," the banker said, "to business owners with such vague ideas of what and how much they need."

John Williams' case was somewhat different. He didn't explode until after he got the loan. When the papers were ready to sign, he realized that the loan agreement put certain limitations on his business activities. "You can't dictate to me," he said and walked out of the bank. What he didn't realize was that the limitations were for his good as well as for the bank's protection.

Knowledge of the financial facts of business life could have saved all three the embarrassment of losing their tempers. Even more important, such information would have helped them to borrow money at a time when their businesses needed it badly.

This Aid is designed to give the highlights of what is involved in sound business borrowing. It should be helpful to those who have little or no experience

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with borrowing. More experienced owner-managers should find it useful in re-evaluating their borrowing operations.

Is Your Firm Credit Worthy?

The ability to obtain money when you need it is as necessary to the operation of your business as is a good location or the right equipment, reliable sources of supplies and materials, or an adequate labor force.

Before a bank or any other lending agency will lend you money, the loan officer must feel satisfied with the answers to the five following questions:

1. What sort of person are you, the prospective borrower? By all odds, the character of the borrower comes first. Next is your ability to manage your business.

2. What are you going to do with the money? The answer to this question will determine the type of loan, short or long-term. Money to be used for the purchase of seasonal inventory will require quicker repayment than money used to buy fixed assets.

3. When and how do you plan to pay it back? Your banker's judgment of your business ability and the type of loan will be a deciding factor in the answer to this question.

4. Is the cushion in the loan large enough? In other words, does the amount requested make suitable allowance for unexpected developments? The banker decides this question on the basis of your financial statement which sets forth the condition of your business and on the collateral pledged.

5. What is the outlook for business in general and for your business particularly?

Adequate Financial Data is a "Must."

The banker wants to make loans to businesses which are solvent, profitable, and growing. The two basic financial statements used to determine those conditions are the balance sheet and profit-and-loss statement. The former is the major yardstick for solvency and the latter for profits. A continuous series of these two statements over a period of time is the principal device for measuring financial stability and growth potential.

In interviewing loan applicants and in studying their records, the banker is especially interested in the following facts and figures.

General Information: Are the books and records up-to-date and in good condition? What is the condition of accounts payable? Of notes payable?

What are the salaries of the owner-manager and other company officers? Are all taxes being paid currently? What is the order backlog? What is the number of employees? What is the insurance coverage?

Accounts Receivable: Are there indications that some of the accounts re-

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receivable have already been pledged to another creditor? What is the accounts receivable turnover? Is the accounts receivable total weakened because many customers are far behind in their payments? Has a large enough reserve been set up to cover doubtful accounts? How much do the largest accounts owe and what percentage of your total accounts does this amount represent?

Inventories: Is merchandise in good shape or will it have to be marked down? How much raw material is on hand? How much work is in process? How much of the inventory is finished goods?

Is there any obsolete inventory? Has an excessive amount of inventory been consigned to customers? Is inventory turnover in line with the turnover for other businesses in the same industry? Or is money being tied up too long in inventory?

Fixed Assets: What is the type, age, and condition of the equipment? What are the depreciation policies? What are the details of mortgages or conditional sales contracts? What are the future acquisition plans?

What Kind of Money?

When you set out to borrow money for your firm, it is important to know the kind of money you need from a bank or other lending institution. There are three kinds of money: short term, term money, and equity capital.

Keep in mind that the purpose for which the funds are to be used is an important factor in deciding the kind of money needed. But even so, deciding what kind of money to use is not always easy. It is sometimes complicated by the fact that you may be using some of the various kinds of money at the same time and for identical purposes.

Keep in mind that a very important distinction between the types of money is the source of repayment. Generally, short-term loans are repaid from the liquidation of current assets which they have financed. Long-term loans are usually repaid from earnings.

Short-Term Bank Loans

You can use short-term bank loans for purposes such as financing accounts receivable for, say 30 to 60 days. Or you can use them for purposes that take longer to pay off—such as for building a seasonal inventory over a period of 5 to 6 months. Usually, lenders expect short-term loans to be repaid after their purposes have been served: for example, accounts receivable loans, when the outstanding accounts have been paid by the borrower's customers, and inventory loans, when the inventory has been converted into saleable merchandise.

Banks grant such money either on your general credit reputation with an unsecured loan or on a secured loan.

The unsecured loan is the most frequently used form of bank credit for short-term purposes. You do not have to put up collateral because the bank relies on your credit reputation.

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The secured loan involves a pledge of some or all of your assets. The bank requires security as a protection for its depositors against the risks that are involved even in business situations where the chances of success are good.

Term Borrowing

Term borrowing provides money you plan to pay back over a fairly long time. Some people break it down into two forms: (1) intermediate—loans longer than 1 year but less than 5 years, and (2) long-term—loans for more than 5 years.

However, for your purpose of matching the kind of money to the needs of your company, think of term borrowing as a kind of money which you probably will pay back in periodic installments from earnings.

Equity Capital

Some people confuse term borrowing and equity (or investment) capital. Yet there is a big difference. You don't have to repay equity money. It is money you get by selling a part interest in your business.

You take people into your company who are willing to risk their money in it. They are interested in potential income rather than in an immediate return on their investment.

How Much Money?

The amount of money you need to borrow depends on the purpose for which you need funds. Figuring the amount of money required for business construction, conversion, or expansion—term loans or equity capital—is relatively easy. Equipment manufacturers, architects, and builders will readily supply you with cost estimates. On the other hand, the amount of working capital you need depends upon the type of business you're in. While rule-of-thumb ratios may be helpful as a starting point, a detailed projection of sources and uses of funds over some future period of time—usually for 12 months—is a better approach. In this way, the characteristics of the particular situation can be taken into account. Such a projection is developed through the combination of a predicted budget and a cash forecast.

The budget is based on recent operating experience plus your best judgment of performance during the coming period. The cash forecast is your estimates of cash receipts and disbursements during the budget period. Thus, the budget and the cash forecast together represent your plan for meeting your working capital requirements.

To plan your working capital requirements, it is important to know the "cash flow" which your business will generate. This involves simply a consideration of all elements of cash receipts and disbursements at the time they occur. These elements are listed in the profit-and-loss statement which has been adapted to show cash flow. They should be projected for each month.

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What Kind of Collateral?

Sometimes, your signature is the only security the bank needs when making a loan. At other times, the bank requires additional assurance that the money will be repaid. The kind and amount of security depends on the bank and on the borrower's situation.

If the loan required cannot be justified by the borrower's financial statements alone, a pledge of security may bridge the gap. The types of security are: endorsers; comaker and guarantors; assignment of leases; trust receipts and floor planning; chattel mortgages; real estate; accounts receivables; savings accounts; life insurance policies; and stocks and bonds. In a substantial number of States where the Uniform Commercial Code has been enacted, paperwork for recording loan transactions will be greatly simplified.

Endorsers, Co-makers, and Guarantors

Borrowers often get other people to sign a note in order to bolster their own credit. These endorsers are contingently liable for the note they sign. If the borrower fails to pay up, the bank expects the endorser to make the note good. Sometimes, the endorser may be asked to pledge assets or securities too.

A co-maker is one who creates an obligation jointly with the borrower. In such cases, the bank can collect directly from either the maker or the co-maker.

A guarantor is one who guarantees the payment of a note by signing a guaranty commitment. Both private and government lenders often require guarantees from officers of corporations in order to assure continuity of effective management. Sometimes, a manufacturer will act as guarantor for customers.

Assignment of Leases

The assigned lease as security is similar to the guarantee. It is used, for example, in some franchise situations.

The bank lends the money on a building and takes a mortgage. Then the lease, which the dealer and the parent franchise company work out, is assigned so that the bank automatically receives the rent payments. In this manner, the bank is guaranteed repayment of the loan.

Warehouse Receipts

Banks also take commodities as security by lending money on a warehouse receipt. Such a receipt is usually delivered directly to the bank and shows that the merchandise used as security either has been placed in a public warehouse or has been left on your premises under the control of one of your employees who is bonded (as in field warehousing). Such loans are generally made on staple or standard merchandise which can be readily marketed. The typical warehouse receipt loan is for a percentage of the estimated value of the goods used as security.

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Trust Receipts and Floor Planning

Merchandise, such as automobiles, appliances, and boats, has to be displayed to be sold. The only way many small marketers can afford such displays is by borrowing money. Such loans are often secured by a note and a trust receipt.

This trust receipt is the legal paper for floor planning. It is used for serial-numbered merchandise. When you sign one, you (1) acknowledge receipt of the merchandise, (2) agree to keep the merchandise in trust for the bank, and (3) promise to pay the bank as you sell the goods.

Chattel Mortgages

If you buy equipment such as a cash register or a delivery truck, you may want to get a chattel mortgage loan. You give the bank a lien on the equipment you are buying.

The bank also evaluates the present and future market value of the equipment being used to secure the loan. How rapidly will it depreciate? Does the borrower have the necessary fire, theft, property damage, and public liability insurance on the equipment? The banker has to be sure that the borrower protects the equipment.

Real Estate

Real estate is another form of collateral for long-term loans. When taking a real estate mortgage, the bank finds out: (1) the location of the real estate, (2) its physical condition, (3) its foreclosure value, and (4) the amount of insurance carried on the property.

Accounts Receivable

Many banks lend money on accounts receivable. In effect, you are counting on your customers to pay your note.

The bank may take accounts receivable on a notification or a nonnotification plan. Under the notification plan, the purchaser of the goods is informed by the bank that his or her account has been assigned to it and he or she is asked to pay the bank. Under the nonnotification plan, the borrower's customers continue to pay you the sums due on their accounts and you pay the bank.

Savings Accounts

Sometimes, you might get a loan by assigning to the bank a savings account. In such cases, the bank gets an assignment from you and keeps your passbook. If you assign an account in another bank as collateral, the lending bank asks the other bank to mark its records to show that the account is held as collateral.

Life Insurance

Another kind of collateral is life insurance. Banks will lend up to the cash value of a life insurance policy. You have to assign the policy to the bank.

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If the policy is on the life of an executive of a small corporation, corporate resolutions must be made authorizing the assignment. Most insurance companies allow you to sign the policy back to the original beneficiary when the assignment to the bank ends.

Some people like to use life insurance as collateral rather than borrow directly from insurance companies. One reason is that a bank loan is often more convenient to obtain and usually may be obtained at a lower interest rate.

Stocks and Bonds

If you use stocks and bonds as collateral, they must be marketable. As a protection against market declines and possible expenses of liquidation, banks usually lend no more than 75 percent of the market value of high grade stock. On Federal Government or municipal bonds, they may be willing to lend 90 percent or more of their market value.

The bank may ask the borrower for additional security or payment whenever the market value of the stocks or bonds drops below the bank's required margin.

What Are the Lender's Rules?

Lending institutions are not just interested in loan repayments. They are also interested in borrowers with healthy profit-making businesses. Therefore, whether or not collateral is required for a loan, they set loan limitations and restrictions to protect themselves against unnecessary risk and at the same time against poor management practices by their borrowers. Often some owner/managers consider loan limitations a burden.

Yet others feel that such limitations also offer an opportunity for improving their management techniques.

Especially in making long-term loans, the borrower as well as the lender should be thinking of: (1) the net earning power of the borrowing company, (2) the capability of its management, (3) the long range prospects of the company, and (4) the long range prospects of the industry of which the company is a part. Such factors often mean that limitations increase as the duration of the loan increases.

What Kinds of Limitations?

The kinds of limitations, which an owner-manager finds set upon the company depends, to a great extent, on the company. If the company is a good risk, only minimum limitations need be set. A poor risk, of course, is different. Its limitations should be greater than those of a stronger company.

Look now for a few moments at the kinds of limitations and restrictions which the lender may set. Knowing what they are can help you see how they affect your operations.

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The limitations which you will usually run into when you borrow money are:

- (1) Repayment terms.
- (2) Pledging or the use of security.
- (3) Periodic reporting.

A loan agreement, as you may already know, is a tailor-made document covering, or referring to, all the terms and conditions of the loan. With it, the lender does two things: (1) protects position as a creditor (keeps that position in as protected a state as it was on the date the loan was made) and (2) assures repayment according to the terms.

The lender reasons that the borrower's business should generate enough funds to repay the loan while taking care of other needs. The lender considers that cash inflow should be great enough to do this without hurting the working capital of the borrower.

Covenants—Negative and Positive

The actual restrictions in a loan agreement come under a section known as covenants. Negative covenants are things which the borrower may not do without prior approval from the lender. Some examples are: further additions to the borrower's total debt, non-pledge to others of the borrower's assets, and issuance of dividends in excess of the terms of the loan agreement.

On the other hand, positive covenants spell out things which the borrower must do. Some examples are: (1) maintenance of a minimum net working capital. (2) carrying of adequate insurance, (3) repaying the loan according to the terms of the agreement, and (4) supplying the lender with financial statements and reports.

Overall, however, loan agreements may be amended from time to time and exceptions made. Certain provisions may be waived from one year to the next with the consent of the lender.

You Can Negotiate

Next time you go to borrow money, thrash out the lending terms before you sign. It is good practice no matter how badly you may need the money. Ask to see the papers in advance of the loan closing. Legitimate lenders are glad to cooperate.

Chances are that the lender may "give" some on the terms. Keep in mind also that, while you're mulling over the terms, you may want to get the advice of your associates and outside advisors. In short, try to get terms which you know your company can live with. Remember, however, that once the terms have been agreed upon and the loan is made (or authorized as in the case of SBA), you are bound by them.

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The Loan Application

Now you have read about the various aspects of the lending process and are ready to apply for a loan. Banks and other private lending institutions, as well as the Small Business Administration, require a loan application on which you list certain information about your business.

For the purposes of explaining a loan application, this Aid uses the Small Business Administration's application for a loan (SBA Form 4 not included). The SBA form is more detailed than most bank forms. The bank has the advantage of prior knowledge of the applicant and his or her activities. Since SBA does not have such knowledge, its form is more detailed. Moreover, the longer maturities of SBA loans ordinarily will necessitate more knowledge about the applicant.

Before you get to the point of filling out a loan application, you should have talked with an SBA representative, or perhaps your accountant or banker, to make sure that your business is eligible for an SBA loan. Because of public policy, SBA cannot make certain types of loans. Nor can it make loans under certain conditions. For example, if you can get a loan on reasonable terms from a bank, SBA cannot lend you money. The owner-manager is also not eligible for an SBA loan if he or she can get funds by selling assets which his or her company does not need in order to grow.

When the SBA representative gives you a loan application, you will notice that most of its sections ("Application for Loan"—SBA Form 4) are self-explanatory. However, some applicants have trouble with certain sections because they do not know where to go to get the necessary information.

Section 3—"Collateral Offered" is an example. A company's books should show the net value of assets such as business real estate and business machinery and equipment. "Net" means what you paid for such assets less depreciation.

If an owner-manager's records do not contain detailed information on business collateral, such as real estate and machinery and equipment, the bank sometimes can get it from your Federal income tax returns. Reviewing the depreciation which you have taken for tax purposes on such collateral can be helpful in arriving at the value of these assets.

If you are a good manager, you should have your books balanced monthly. However, some businesses prepare balance sheets less regularly. In filling out your "Balance Sheet as of _____ 20 ____, Fiscal Year Ends _____," remember that you must show the condition of your business within 60 days of the date on your loan application. It is best to get expert advice when working up such vital information. Your accountant or banker will be able to help you.

Insurance

SBA also needs information about the kinds of insurance a company carries. The owner-manager gives these facts by listing various insurance policies.

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Personal Finances

SBA also must know something about the personal financial condition of the applicant. Among the types of information are: personal cash position; source of income including salary and personal investments; stocks, bonds, real estate, and other property owned in the applicant's own name; personal debts including installment credit payments, life insurance premiums, and so forth.

Evaluating the Application

Once you have supplied the necessary information, the next step in the borrowing process is the evaluation of your application. Whether the processing officer is in a bank or in SBA, the officer considers the same kinds of things when determining whether to grant or refuse the loan. The SBA loan processor looks for:

- (1) The borrower's debt paying record to suppliers, banks, home mortgage holders, and other creditors.
- (2) The ratio of the borrower's debt to net worth.
- (3) The past earnings of the company.
- (4) The value and condition of the collateral which the borrower offers for security.

The SBA loan processor also looks for: (1) the borrower's management ability, (2) the borrower's character, and (3) the future prospects of the borrower's business.

Incorporating a Small Business

Prepared by the Office of the General Counsel U.S. Small Business Administration

Summary

If you are the owner-manager of a small business you may have been wondering about the advisability of incorporating your business, particularly if you are seeking equity capital.

This Management Aid does not discuss the advantages and disadvantages of the corporate form; its purpose is to acquaint you with some of the basic steps involved once you have decided to incorporate.

This Aid is not to be considered a substitute for professional advice. Legal guidance will insure that (a) the articles of incorporation and the bylaws are tailored to the needs of your particular business enterprise, (b) you understand the various aspects of the tax obligations involved, and (c) you will be in compliance with the State, local, and Federal laws affecting the corporation.

Laws governing the procedure for obtaining a corporate charter vary among States. Detailed information about the requirements of your State can be obtained

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from the secretary or other official designated to supervise the granting of corporate charters.

Choosing the Location

The majority of small and medium-sized businesses, especially those whose trade is local in nature, find it advisable to obtain their charter from the State in which the greatest part of their business is conducted.

Out-of-State, or “foreign,” incorporation often results in the additional payments of taxes and fees in another jurisdiction. Moreover, under the laws of many States the property of a foreign corporation is subject to less favorable treatment, especially in the area of attachment of corporate assets. This legal difference could prove especially hazardous to a small business.

On the other hand, you should look into possible benefits to be gained from incorporation in another State. Such factors as State taxes, restrictions on corporate powers and lines of business in which a company may engage, capital requirements, restrictions upon foreign corporations in your State, and so forth should be taken into consideration in selecting the State of incorporation. For example, you should be aware that some States require a foreign corporation to obtain a certificate to do business in their State. Without such certification the corporation may be deprived of the right to sue in those States.

The fee or organization tax charged for incorporation varies greatly from State to State.

Certificate Of Incorporation

Generally, the first step in the required procedure is preparation, by the incorporators, of a “certificate of incorporation.” Most States used to require that the certificate be prepared by three or more legally qualified persons, but the modern trend is to require only one incorporator. An incorporator may, but not necessarily must, be an individual who will ultimately own stock in the corporation.

For purposes of expediting the filing of articles, “dummy” incorporators are often employed. These dummy incorporators are usually associated with a company that performs this service or with an attorney for the organizers. They typically elect their successors and resign at the meeting of the incorporators.

Many States have a standard certificate of incorporation form which may be used by small businesses. Copies of this form may be obtained from the designated State official who grants charters and, in some States, from local stationers as well. The following information is usually required:

1. The corporate name of the company. Legal requirements generally are (a) that the name chosen must not be so similar to the name of any other corporation authorized to do business in the State as to lead to confusion and (b) that the name chosen must not be deceptive so as to mislead the public. In order to be

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sure that the name you select is suitable, check out the availability of the name through the designated State official in each State in which you intend to do business before drawing up a certificate of incorporation. This check can be made through a service company. In some States, there is a procedure for reserving a name.

2. Purposes for which corporation is formed. Several States permit very broad language, such as “the purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized.” However, most States require more specific language in setting forth the purposes of the corporation. Even where State law does not require it, the better practice is to employ a “specific object” clause which spells out in broad descriptive terms the projected business enterprise. At the same time taking care to allow for the possibility of territorial, market, or product expansion. In other words, the language should be broad enough to allow for expansion and yet specific enough to convey a clear idea of the projected enterprise.

The use of a specific object clause, even where not required by State law, is advisable for several reasons. It will convey to financial institutions a clearer picture of the corporate enterprise and will prevent problems in qualifying the corporation to do business in other jurisdictions. Reference books or certificates of existing corporations can provide examples of such clauses.

3. Length of time for which the corporation is being formed. This may be a period of years or may be perpetual.

4. Names and addresses of incorporators. In certain States one or more of the incorporators is required to be a resident of the State within which the corporation is being organized.

5. Location of the registered office of the corporation in the State of incorporation. If you decide to obtain your charter from another State, you will be required to have an office there. However, instead of establishing an office, you may appoint an agent in that State to act for you. The agent will be required only to represent the corporation, to maintain a duplicate list of stockholders, and to receive or reply to suits brought against the corporation in the State of incorporation.

6. Maximum amount and type of capital stock which the corporation wishes authorization to issue. The proposed capital structure of the corporation should be set forth, including the number and classification of shares and the rights, preferences, and limitations of each class of shares.

7. Capital required at time of incorporation. Some States require that a specified percentage of the par value of the capital stock be paid in cash and banked to the credit of the corporation before the certificate of incorporation is submitted to the designated State official for approval.

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8. Provisions for preemptive rights, if any, to be granted to the stockholders and restrictions, if any, on the transfer of shares.

9. Provisions for regulation of the internal affairs of the corporation.

10. Names and addresses of persons who will serve as directors until the first meeting of stockholders or until their successors are elected and qualify.

11. The right to amend, alter, or repeal any provisions contained in the certificate of incorporation. This right is generally statutory, reserved to a majority or two-thirds of the stockholders. Still, it is customary to make it clear in the certificate.

If the designated State official determines that the name of the proposed corporation is satisfactory, that the certificate contains the necessary information and has been properly executed, and that there is nothing in the certificate or the corporation's proposed activities that violate State law or public policy, the charter will be issued.

Officers and Stockholders

Next, the stockholders must meet to complete the incorporation process. This meeting is extremely important. It is usually conducted by an attorney or someone familiar with corporate organizational procedure.

In the meeting the corporate bylaws are adopted and a board of directors is elected. This board of directors in turn will elect the officers who actually will have charge of the operations of the corporation—for example, the president, secretary, and treasurer. In small corporations, members of the board of directors frequently are elected as officers of the corporation.

Bylaws

The bylaws of the corporation may repeat some of the provisions of the charter and State statute but usually cover such items as the follows:

1. Location of the principal office and other offices of the corporation.
2. Time, place, and required notice of annual and special meetings of stockholders. Also the necessary quorum and voting privileges of the stockholders.
3. Number of directors, their compensation, their term of office, the method of electing them, and the method of creating or filling vacancies in the board of directors.
4. Time and place of the regular and special director's meetings, as well as the notice and quorum requirements.
5. Method of selecting officers, their titles, duties, terms of office, and salaries.
6. Issuance and form of stock certificates, their transfers and their control in the company books.
7. Dividends, when and by whom they may be declared.

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8. The fiscal year, the corporate seal, the authority to sign checks, and the preparation of annual statement.

9. Procedure for amending the bylaws.

Special Tax Laws

At the time of the first meeting of the corporate board of directors and prior to issuance of any shares, you might consider adoption of a plan under a section of the Internal Revenue Code (IRC 1244) that grants ordinary rather than capital treatment of losses on certain “small business stock.” Among the requirements of qualification as “section 1224 stock” are (1) the stock must be common stock, (2) the stock must be issued by the corporation for money or other property pursuant to a written plan containing several limitations, and (3) the amount of contribution received for the stock and equity capital of the corporation must not exceed maximum dollar limits.

You should be aware, also, of the possibility of electing subchapter S status (IRS 1371-1379). The purpose of subchapter S is to permit a “small business corporation” to elect to have its income taxed to the shareholders as if the corporation were a partnership. One objective is to overcome the double-tax feature of the present system of taxation of corporate income. Another purpose is to permit the shareholders to have the benefit of offsetting business losses by the corporation against the income of the shareholders.

Among the qualifying requirements for electing and maintaining “subchapter S” eligibility are that the corporation has no more than 10 shareholders, all of whom are individuals or estates; that there be no nonresident alien shareholders; that there be only one class of outstanding stock; that all shareholders consent to the election; and that a specified portion of the corporation’s receipts be derived from actual business activity rather than passive investments. No limit is placed on the size of the corporation’s income and assets.

If you plan to transfer property to a corporation in exchange for stock, you should realize that such a transfer is a taxable transaction unless the transfer complies with the provisions of IRC section 351.

Other Considerations

If your business is at present a sole proprietorship or partnership, you will need to secure a new taxpayer identification number and unemployment insurance account. You should find out in advance whether present licenses and leases will be transferable to the new corporate entity.

An Idea For Multi-Level People To Consider

Let me start off by letting you know that I am NOT involved in any MLM programs - I am only speaking from a “consumers” point of view. This is important because I won’t spend time cramming multi-level marketing down your throat and people who are already involved in multi-level marketing will appreciate the

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opinion of the general public.

A couple of days ago when I was reading through my mail. I came across a plan called United Dental Plan of America. Everything sounded great and wonderful! I wanted to get involved right away. I was ready to write a check and send in my application! The only problem was that it was a MLM (multi-level marketing) plan!

What's so wrong with that? Well, there are a lot of people who don't get involved in MLM plans. It's not to say that I dislike them - I just lack the deep down enthusiasm that's needed for the long term in a MLM environment. Besides, I didn't want to sell their plan to others - I just wanted to purchase the product!

There are lots of people like this. My mother likes to order Avon products because she likes certain things that they sell. At 82-years of age, she has no interest in having parties at her home or running around town trying to be a representative to earn a car. She just wants a tube of hand cream once in awhile.

So why don't MLM businesses advertise their product and have less emphasis on recruiting their downline? In fact, I never see advertising for products - just the invitation to join someone's downline. It's because most MLM organizations are set up with "money" being the deriving force in their business. They make more money by recruiting people into the program and the purchase of marketing materials and sales aides. While this is not true with all MLM companies - it is true for most of them.

Did you ever get one of those announcements in the mail for free tickets to a seminar that claims to set you up in business? Have you ever attended one? Well let me tell you - the speaker is trained to push and motivate their audience. Most people are hit with such a sales pitch that they almost run each other over buying the starter kit for \$349.95 at the end of the meeting. Then, when they get home they want to shoot themselves for buying something that still doesn't put them in business. It's sad for the average guy or gal who really just wants to make some honest money in a business of their own.

Wouldn't it seem logical - if someone put together a catalog of products that other people could purchase WITHOUT joining into a MLM program? In fact, they could generate some sales for their products instead. What holds them back from doing so? It is the fact that the organization wants people to sell the \$349.95 package today because the \$5.95 order for the product itself doesn't make them any money?

Please understand that I'm not talking about every company out on the market. Watkins, NuSkin, Nutrition for Life and Golden Pride/Rawleigh each have catalogs of products you can buy without joining their program. The only problem is that you don't see very many ads for them. Instead you find ads that state "Make money with me and increase your income." or "Earn a new car within the

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next 24-hours!”

Back in the 1940's if you picked up a mail order magazine you saw REAL products you could order from REAL people. If you wanted a saw blade for your saw, you sent in a check and ordered one. You didn't join downlines to sell the saw blades to others in your area. Now - if you want a blade for your saw you'd have to either wade through so much hype and bull that you may never find one. Instead, you just rely on Montgomery Ward or Sears.

See people - money is being lost in the regular world of mail order simply because there are no REAL ads being run for REAL products. Pick up a mail order tabloid and you'll see immediately what I'm talking about. Why is everyone selling everyone else's stuff? What happened to our individual creativity? Most of the answer lies in the fact that so much hype is being pushed on the general public it is ridiculous. People come on TV and tell you that you can make millions of dollars by running tiny little classified ads. They show you scenes of people relaxing on their yachts and making huge bank deposits. Society makes the mail order business world look like something easy, carefree and non-tiring!

But perhaps, if I purchased a REAL product and loved it so much I might be enthused enough to join the MLM concept later on down the road. Wouldn't the ultimate goal of building a downline be accomplished also while at the same time selling the product?

Do You Give Your Customers Enough Information To Work Your Program?

Of course you do - right? Check again! More often than not I have watched people join a program, receive a camera-ready circular and are expected to know what to do with it. While the originator of the program knows exactly what to do, most of your customers do not. What may seem like common sense to you is not as understandable to others who purchase it.

Every program you sell should come with an instruction sheet. Just like any product you purchase will come with an instruction sheet. The blow dryer for my hair even came with an instruction sheet and who doesn't know how to operate a blow dryer? It just makes good business sense to include an instruction sheet or booklet with anything you sell.

And guess what? This sheet or booklet can be used to YOUR advantage. By explaining step-by-step how the program works, what its goals are, the benefits of working it and what steps to take in order to work it properly, you can offer different options to your customer to help them. If you supply camera-ready circulars, you could offer to print copies, supply preprinted envelopes and mailing list names for an additional price. This is called “back-end” sales.

And if you don't provide these items, you can find a wide range of mail order dealers that can. Hook up with a good supplier who will reduce their prices slightly so you can make a profit and send orders directly to them from your “back-

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end” sales. This little bit of extra money is what helps your program become more financially solid.

One problem that so many programs fail is because they are not managed and structured properly. Remember the old saying: “A 3-legged stool is not easily broken?” It’s true. The more “branches” you have in a program that generates some cash flow the better. DON’T get this confused with nickel-and-diming people to death. Just give them the product they pay for and offer them extra products they can purchase that compliments what they already have.

One of the biggest mistakes you can make when you are the Prime Source of any program is to promote the program your dealers are also promoting. Instead of it bringing in more money it has the opposite effect - it destroys the program!

Let’s say that Melanie joins Jeff’s program. Jeff is the Prime Source and provides Melanie with a camera-ready circular with her name on it. Melanie begins printing and mailing the circular in her own mailings but one day she spots Jeff advertising his own circular in a tabloid. What does Melanie do? She STOPS mailing her circular.

Why? Because Jeff looks like a greedy dealer who is after all the profit. Jeff is only giving Melanie 50% when people respond to her circular and Jeff gets 100% if people respond to his circular. Also - Melanie does not want to be in competition with Jeff and drops out of the program. It’s not fair to Melanie.

And what happens to Jeff’s potential income when all his dealers see the circulars with his name on them? You got it - they all drop out. Now what happens to Jeff’s income? Right again - it drops considerably!

Instead, Jeff should pick out a few of his dealers who are trying their best to make money with his program and offer to mail pre-printed circulars for them free of charge. Remember that Jeff is making money from every sale generated by his dealers, so by promoting his own product he is still making money. Besides - if he helps his dealers make a few dollars, what will his dealers do? That’s right - they’ll keep participating in Jeff’s program and most of them will re-invest the commission money they make into printing and mailing more of them.

Also, when they begin to make a little money, they will tell everybody they know what a wonderful program Jeff has. And guess what? Jeff will get more dealers promoting his program -which means more money for Jeff in the long run. Jeff’s a success because he made his dealers a success.

And finally - Jeff’s reputation will be escalated because all his dealers will know he’s an honest guy to do business with. Guess what? Jeff’s business income increases! Not just because of the program but because people are interested in other things Jeff sells.

It’s only good business sense to help your dealers by providing them with

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tips and information to work your program. Sure, there will always be people who buy into your program and not work them - but you'll lose a lot more money if you step on their toes and become their competition! Be wise!

How To Use The Internet

The subject of electronic marketing will not be complete without at least mentioning the network or all computer networks, known as the Internet. Founded over 20 years ago by the U.S. military, and managed in part by the National Science Foundation, the Internet has 20 to 30 million users worldwide. People who use the Internet include, entrepreneurs, executives, researchers, educators, technicians, consumers, activists, students, and military personnel. Most use the Internet to exchange e-mail, pursue special interests, search databases, and conduct business.

E-MAIL One of the most popular uses of the Internet allows you to send and receive messages to and from people around the world from the comfort of your home computer. These messages, which are free to send, are almost always delivered faster and more accurately than regular mail. You can send messages to anyone who has an Internet address. This includes members of most online services.

It is estimated that over 4,000 e-mails per minute go through the Internet. What this means to you as an information marketer is that you can conduct "direct mail" through the Internet to existing and potential customers. This will eliminate your postage and printing costs. It will also reduce the amount of time needed to process your mail.

The Internet also has mailing lists to which you can have your e-mail address added. These mailing lists are made up of groups of Internet users with similar interests. The users send messages back and forth to each other regarding relevant topics. For example, if you are selling a publication on gardening, you might want to join a mailing list of users interested in outdoor hobbies. Whenever someone sends e-mail to this mailing list, the e-mail goes to everyone on the mailing list. Sometimes the mailing list is monitored by an administrator. If this is the case, you may be limited to the kinds of e-mail you can send. If you can't find a list that has to do with your publication's topic, you can start your own mailing list and wait for others to join.

Once you join a mailing list, usually for free, you can receive 1000's of e-mails from users you have already selected based on their interests. You can then respond by sending an e-mail to each user's e-mail address. Your e-mail might be a short message where you mention how your information products can help them. Rather than responding to each e-mail individually, you may be able to respond by sending one e-mail to the entire Internet mailing list.

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USENET

The Internet also has what is called, USENET newsgroups. This aspect of the Internet allows users with specific interests to form groups and share information with each other, usually by posting messages that others can read. Unlike mailing lists, you do not need to send or receive any e-mail. You simply connect to the Internet, locate a USENET newsgroup, and read or post messages to that particular group.

Marketers can also use USENET newsgroups by finding a newsgroup that focus on interest of specific advantage to the information products being sold. You can do this by scanning the messages that have been posted. By recording users e-mail addresses, you can compile a mailing list to which you can e-mail information describing your product.

The Internet also has 100's of free databases that can be accessed to gain information on practically any subject. These databases are indexed so that you can search for information using key words or phrases. Most are run by volunteers, but, just about anyone can start one. Publishers can use these databases for two purposes. First, they are an excellent source of current information. This information can be used to help you write your publication. Second, experienced publishers can create their own database. Once created, the database can be accessed by millions of Internet users worldwide. Your own database can contain your publication(s), much like your own BBS.

Finally, the Internet, like many online services, is scattered with 1000's of interesting computer files that is accessible free of charge to Internet users. These files are usually located in areas called special interest groups (SIGs). There are over 5,000 SIGs on the Internet.

Information Marketers can upload free reports, announcements, press releases, etc., to these SIGs for others to download. This process is known as file transfer protocol (FTP).

Using this process, Internet users can send and receive computer files all around the world. These computer files may contain more complex information than contained in standard e-mails. These computer files can contain text, graphics, sound, or they may be actual programs. They have all been created, saved, and stored by a computer connected to the Internet. You can send and receive advertisements, small reports, or entire publications using the File Transfer Protocol.

Judging The Entrants In The MLM Parade

Multi-level marketing may be the opportunity of the 1990's. Many fortune have been made, and many, many more will be made by this simple marketing method. But it seems there are many people who have given MLM a sincere effort

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and still not have their effort rewarded. There are many reasons for most of them relating to the person's personal abilities and the quality and price of the product being sold. There are ways to overcome those problems and make MLM work for you, and here is what the greats in the field have done to achieve their incredible incomes.

1. Sell only quality products at fair prices. The company supplying the product must be reputable and offer prompt service.

2. Choose specific items or product lines that sell for under \$20 and will lead to later sales of the same item to the same person.

3. Show the product and give brochures to absolutely everyone you know from your brother to your meter reader to the person at the gas company who opens your check envelope. These people will eventually come to you.

4. When using the mails to distribute brochures, always add a personal note written in pen, with each one, encouraging them to read the material and outlining what you know about their business that makes your opportunity so good for them. Get them to read the literature. Personal sales notes are incredibly powerful tools.

5. When using the mails, be careful about using mailing lists. Most commercial lists are overpriced and pull much more poorly than advertised. It is wiser to advertise your opportunity in magazines with classified sections, especially those with other MLM ads.

6. Contact as many people as you can in a 24-hour day. You will not get rich by getting others to make you rich. You will get rich by being successful yourself and by showing others your success and your success will only come through action.

7. Fast money in MLM is rare; big money is not so rare. You may not even get a first check for six weeks, and it will probably be small. The aim of your efforts will be to build toward a network of distributors under you, especially on the third through fifth levels where fortunes are won and lost.

8. Plan your campaign. Know exactly where you want to be in one month, six months, a year, five years from now. Stick with every bit of the plan you can, although you will find it needs revision as your success grows. If your plan requires mailing X number of letters or holding X number of sales meetings a week, do it, and fill every activity with the maximum amount of efficiency and effectiveness.

9. Never let yourself stay discouraged for more than a moment. Persistence is the real key to MLM selling. The longer and harder you work, the more certain you can be that you will win. Believe it or not, there are still many fortunes to be made, so never blame a good product for your failure. The losers are the dabblers and the dropouts.

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10. Unless specifically requested in your contract, don't stay too long with just one product or product line without adding another. Add a new line as often as your finances permit. Department stores make more money than specialty shops.

11. Don't waste time! The more effort you expend in the crucial first few weeks, the more rewards you will reap "downline."

How To Start Up Any Business

Legal Entity: Determine whether you are going to be doing business as an individual proprietorship, partnership or corporation. The individual proprietorship is the form of entity used by most small businesses at start up. If you need additional capital or expertise a partnership may be the best entity. You can always incorporate later if practical. The expense to incorporate a small business is nominal but since the latest income tax changes unless incorporating will make you more money or better protect your investment there is not much benefit in forming a corporation. Even though there is limited liability as to your personal assets with a corporate entity when obtaining outside financing, or in the event funds are misused, you can still be personally liable.

The strict laws, higher State Income taxes in some states, the legal work involved and the heavier accounting and tax reporting requirements are some of the disadvantages of running your business as a corporation. Also, if you decide later to close out your corporation, the paper work involved, especially to conform to the provisions of the Internal Revenue Code, is difficult and often runs into more problems than the initial incorporation.

Of course when interest rates are high incorporating may be the only practical method to get sufficient capital to start-up and run your operation. However when you go public with your stock you are looking at a whole new ball game. Federal regulations, State requirements, etc., will make it imperative to hire a good corporate attorney and in most instances you will need an investment company to sell the stock. The costs involved to go public are enormous and sometimes cost up to one-third of the proceeds from the sell of stock leaving the working capital and fixed assets in peril.

Business Name: To make the public better aware of just what your firm offers it is generally good practice to choose a business name that describes your product or service. Apply for a fictitious business name with your state or county offices when you plan on going into business under a name other than your own. Also, the bank will require a certificate or resolution pertaining to your fictitious name at the time you apply for a bank account. Your county clerk can tell you where to apply for the name.

Location: The location of your business will of course vary depending on

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the kind of business or service. Retail businesses should be located in an area with adequate parking space and heavy foot traffic. If you locate in a shopping center be certain you understand the terms of the lease. Is it a Net-Net lease requiring the tenants to pay all center expenses including utilities, signs, lighting, taxes, insurance, garbage, maintenance, etc., in addition to all the usual store expenses? If you're going into an "office" business, or an unproven venture get a month to month rental agreement. In the event your venture is unsuccessful you will not be stuck with future rent as you would if you were under a long term lease. The landlord is in control. You must get his approval in the event you want to sub-lease to another and even if he agrees you are still secondarily liable for the term of the lease.

Failure: Think positive about your new venture but don't expect to make a great deal of money with little or no investment. Lack of capital has been the downfall of many otherwise good business start-ups. You may have limited take home pay for the first few months as you plow your profits back into the business to make it grow. You will need a substantial cash reserve or other source of income, during the "build-up" phase, to take care of your personal expenses.

Lack of training and experience is another great destroyer of dreams. Be sure you have the know how and are capable of running the business your propose. Get into something you already know or can learn without getting hurt in the process.

If you are going into a retail operation know who your suppliers will be before you even start looking for a location. Buy the right kind of merchandise, at the right prices, to fit the kind of customer you will be serving. Keep your inventory in balance with sells and cash flow. Plan ahead. Learn how to promote and advertise for best results. Keep up with the trends of the time and know at all times what your competition is doing.

A few of the other things leading to quick failure are: lack of over-all business planning, inept managers or employees, incomplete accounting records, improper financial reports, lack of control over assets, bad credit policy and inability of the owner to reach or act on decisions.

Bank Account: Get to know the manager of your bank. He will be one of your best references. Ask his advice and get his help on financial matters. The more he advises you the better he will come to know you. Develop a line of credit so it will be there when you need it. The banks can't exist without making loans so don't hesitate to apply. When you handle high cost items your bank may be able to work up installment contracts for your customers. Get set up with Mastercard, Visa, etc. It will cost you from 3% to 5% but you must have this service available for your customers if you want to stay in business.

To establish your bank account you will need a Federal ID number or social

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security number along with your certificate of assumed (fictitious) business name. If you are incorporated the bank will want a copy of the minutes and a corporate resolution authorizing the account.

Payroll Taxes: One of the first things to do when starting your new business is to get Federal and State application forms for ID numbers. Request "Business Start Up" application forms from the Internal Revenue Service and from the State Tax Commission. After your applications are sent in you will be notified of your number and get a packet of information. Depository forms, quarterly report forms, W-4-A's, W-2's, estimated tax forms, etc., will then be mailed periodically as needed.

Payroll taxes and expenses will amount to from 13% to 17% of your gross payroll depending on workmen's compensation rates for the various job classifications. Payroll expenses include: FICA taxes (Social Security) FUE taxes (Federal Unemployment) SUE taxes (State Unemployment) WC or SDI (Workmen's Compensation)

Also, you will be required to withhold from your employees wages and pay over to the Federal and State:

FICA taxes (Social Security-Employers share) Federal Income Taxes State Income Taxes (Most States) State Disability Insurance (Some States)

If you are a sole proprietorship business or are a partner you will have to file and pay Federal estimated tax reports each quarter based on estimated annual income. (Some states also require periodic estimates through the year.) Partnerships file an annual information return and each partners share of profits is included in their individual personal income tax return. Corporation must also file for estimated taxes.

Hiring Employees: Throughout the year it takes hundreds of hours of your time to prepare and file the various payroll reports and other governmental forms required. This is no reason for you to sacrifice 24 hours a day trying to keep up with your business all by yourself without adequate help. When you have expanded to the point you can afford good employees and/or managers, don't hesitate, hire them. Properly trained and advised they will make more money for you than you can ever make going it alone in most ventures. Advertise in the classified section, take applications, set up interviews and hire the best.

Utilities: When you first start thinking about establishing your own business find out when the next issue of the telephone book will be printed and the deadline for getting listed. Place a reasonable display ad in the yellow pages under the classification which best describes your product or service. It could be a catastrophe if you missed the deadline for the next issue by a few days and have to wait 9 months to a year for a listing in the permanent directory. Advance deposits are usually required when you sign up for Power, Gas, Water and Sewer.

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Licenses and Permits: Apply at City or County offices for local licenses required. If you are going into a retail business and your state is subject to sales taxes, apply for a permit and number with the State Franchise Tax Board or other proper department. You will have to add the taxes to your customer's purchases and pay the proceeds over to the state periodically. Some states require a nominal deposit with your application. Your various suppliers will need your permit number for their files before they will sell to you. You do not have to collect sales taxes across state lines unless you have businesses in other states. For example: Persons in the mail order business sending their Advertising and products nationwide need only collect taxes for sales made to persons within the state.

Occupational Licenses: Persons entering into certain kinds of business will have to obtain an occupational license through the State or local licensing agencies. These include Real Estate Personnel, those in the medical profession, barbers, beauty operators, electricians, plumbers, contractors, insurance agents, engineers and many others. Passing a written examination is generally required before a license is issued.

Other Licenses: Federal regulations control many kinds of interstate activities with license and permit requirements. These include such businesses as common carriers, certain food processors, TV stations, radio, drug manufacturers and many others. Any organization which shops, sells, or advertises in more than one state is subject to Federal Trade Commission (FTC) regulations. This includes mail order operations although no license is required in most cases. Any firm distributing food products, including restaurants, is subject to permits and periodic inspections.

Other permits required for certain businesses include inspection and permit for occupying a new building that caters to the public, fire permits, pollution control permits, and those which regulate the size, shape, style and placement of signs, etc.

If you are in doubt about which permits and licenses pertain to your chosen business it may pay to first set down with the proprietor of a similar business in a different area or town and get full information from them.

Insurance: Don't forget about insurance. The premiums are expensive, especially business liability, but you cannot operate with peace of mind without full coverage. Check with a good agent regarding Fire, Liability, Workmen's Compensation, Business Interruption, Burglary, Glass, Extended Coverage, Vehicles, etc. Have two or three agents submit estimates.

Bookkeeping and Accounting: There is probably no reason you cannot do your own record keeping, at least in getting started. Just use a separate check book and bank account for your business. Use a columnar check register with several "headed up" columns and distribute the amount of each check written to

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the proper columns. List your deposits on the check register and carry across a continuous bank balance.

If you don't have a cash register to start with you can write up sales on duplicate sales slips, but a cash register is highly recommended. You will be able to ring up sales to different departments and by different clerks. It will pay for itself many times over in just a short time. Record receipts from the "totaled out" cash register tape at the end of each day to daily or weekly sheets.

With just the above two records of original entry plus a "General Journal" to record any extraneous transactions, and a "General Ledger" to which accounts from the three records are posted at the end of each month, you have all that is necessary for a simple "cash" accounting system. This "cash" system can be easily converted to the accrual method of accounting by simply journalizing accounts receivable, payable, accruals, prepaid insurance, etc. After posting these entries the Balance Sheet and Income statement can be readily completed.

After preparing the financial statements, reverse the accruals and you will be ready for entries the following month. You can enter your gross payroll, payroll deductions and the net amount in your check register. Give your employees a payroll slip showing all the facts and maintain subsidiary payroll sheets with all the information as to each employee.

With these individual payroll records and the control accounts in the General Ledger you have all the information necessary to complete the various payroll tax reports and returns as they come due.

At the end of each annual accounting period all the information for filing your Income Tax returns will be right at your fingertips.

If you know nothing about bookkeeping have an accountant set up your books on the basis of the above simple method. Let him "keep the books" the first few months while you learn how then, if you prefer, take them over yourself. Use your accountant as your advisor. After a short time you probably will be able to do all the accounting without outside help.

Equipment Required: Every business is different and will not be using the same kind of fixtures and equipment. Sometimes it is much better to preserve cash for inventories or working capital and purchase good used fixtures and equipment at a much lesser price. With the recent changes in the income tax laws you will have to do extra analysis to determine whether a lease program or direct purchase is the best way to proceed. Whether to buy or lease depends on many facts which can only be determined by observation and computation. It could be better to lease electronic equipment, computers, copiers and certain other products due to the rapid advances continuously taking place in these fields.

Suppliers: Suppliers are reluctant to ship their goods to new businesses. That is one reason you should get to know your banker as he can offer credit ref-

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ences acceptable to most any firm. You will have to convince your proposed suppliers that you are honest and hard working and that your business has a good chance for success. You may have to pay C.O.D. while getting started so take this fact into account when preparing your financial planning and start-up requirements. After you have become established with your suppliers send your financial data to Dun And Bradstreet so your company will be listed in their files. Most every firm in the country recognizes Dun and Bradstreet as a most reliable organization for obtaining correct credit information.

Work with your suppliers to take advantage of special offers, cooperative advertising programs, trade and cash discounts, dated invoices, etc.

Advertising and Promotion: When you are getting started give a press release to the local newspaper. Depending on the type of business, it may be very profitable to have a few thousand circulars printed and distributed throughout the area. Or you can have grand opening circulars inserted in the newspaper to be distributed to subscribers.

Watch the ads of your competitors. As you find time clip various ads of businesses similar to your own, from large city papers. File them for ideas when preparing your own ads.

There are all kinds of promotional ideas and gimmicks to keep your business out in front of your competitor. Search the library, book stores and mail order media for such publications. Choose the ones which fit your promotional programs or those that can be "twisted" to fit and get them working for you.

BUSINESS FORMAT: Owning your own business is one of the better ways to gain wealth provided you know what is required. Starting a business is risky but your chances for making good are better if you understand the problems you will meet and work out as many of them as you can before you start.

The Business Format that follows will be a valuable aid in getting you started in a business of your own. Use the format as a check list and guide. If the response to the questions and comments is favorable you are in a preferred position to go into business for yourself.

How about you ... Are you the kind of person who can get a business started and make it go?

The first thing you need to know is if you require someone else to get you started or if you do things on your own with nobody telling you to get going.

Do you like other people and can you get along with just about anyone?

Are you able to lead others? Can you get most people to go along when you start something or do you have to follow the lead of others before you act?

Do you like to take charge of things and be responsible for seeing them through?

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How good are you at organizing things; do you have a plan before you start and are you the one who gets things lined up for the group?

Can you make yourself keep going as long as you need in order to accomplish something?

Are you able to make the right decisions most of the time, even when you have to make up your mind in a hurry?

Can people trust what you say and have confidence that you don't say things you don't mean?

Do you stick with it and finish what you start?

Are you in good health?

Think very seriously about why you want to own your own business and whether you want it badly enough to keep you working long hours without knowing how much money you will end up with.

Have you worked in a business like the one you intend to start?

Have you worked for someone else in a management capacity?

Have you had any business training in school?

Have you saved any money for your venture?

How about money? Do you know how much money you will need to get started?

To answer these questions first determine what furniture, fixtures and equipment you will need. List the cost, the down payment or cash price, and if purchased on an installment plan, the amount of each monthly or periodic payment.

Price

\$_____ Down Payment

\$_____ Amount of each payment \$_____

The furniture, fixtures and equipment required may include such things as counters, storage shelves, cabinets, display stands, tables, cash register, safe, window display fixtures, special lighting, outside signs and delivery equipment.

Now list the starting cost you have to pay only once, such as the following:

Furn., Fix, & Equip. (per previous page)

\$_____ Decorating and remodeling

_____ Installation of fixtures and equipment

_____ Starting inventory

_____ Deposits with public utilities

_____ Legal and other professional fees

_____ Licenses and permits

_____ Advertising and opening promotion

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_____ Advance on lease
_____ Other and Misc. cash requirements
_____ TOTAL ESTIMATED CASH NEED TO START
\$ _____

Now list the estimated monthly expenses:

Salary of owner-manager
\$ _____ All other salaries and wages
_____ Payroll taxes and expense
_____ Rent or lease
_____ Advertising
_____ Delivery expense
_____ Supplies
_____ Telephone
_____ Other utilities
_____ Insurance
_____ Property taxes
_____ Interest expense
_____ Repairs and maintenance
_____ Legal and accounting
_____ Miscellaneous

TOTAL ESTIMATED MONTHLY EXPENSES

\$ _____ Multiply by 4 (4 months)
\$ _____ Add: Total Cash needed to start above
\$ _____ TOTAL ESTIMATED CASH NEEDED
\$ _____

When you have found the approximate amount of cash needed to start, determine how much money of your own you can put into the business.

Where are you going to get the rest of the money you need to start the business?

Do you know the credit terms of your suppliers?

Have you prepared a projected Income Statement to know what profits you may expect?

Is projected profit, including the salary you pay yourself, sufficient for you to live on and still generate working capital to help your business grow?

How about a partner? If you need a partner with money or know-how do

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you know someone you can get along with as a partner?

Do you know the good and bad points of being an individual proprietorship, a partnership, or a corporation?

How about customers? Do most of the businesses in your community seem to be doing well?

Have you determined whether stores like the one you want to open are doing well locally and nationally?

Do you know what kind of people will want to purchase what you plan to sell?

Is there a good demand for your kind of business?

Getting started in your business:

How about your building: Have you found a good building in a good location for your business?

Will the building fit your business purpose without too much outlay for remodeling or leasehold improvements?

Is there adequate off-street parking?

Have you determined if the zoning is right?

Have you had your attorney check the small print in your lease?

How about merchandise: Have you determined how much inventory you will need to open?

Have you found suppliers you can depend on for good merchandise, when you need it, at a favorable price?

Have you compared prices and credit terms of different suppliers?

Have you checked out your competition in every possible manner to determine pricing, good will, volume of business, etc.?

How about keeping records: Do you know how to keep track of your income and expenses; your accounts payable and accounts receivable?

Do you know how to control your inventory so you have enough on hand for your customers buy not more than you can sell?

Can you compute payrolls, prepare tax reports, etc., or do you know a bookkeeper or accountant who will help with your accounting requirements for a reasonable fee?

Do you know what financial statements you will need in order to guide your operations?

Have you found out what licenses and permits you will need and have you had an opportunity to read up briefly on general business law?

Protecting your property: Have you make plans for protection against theft of all kinds....shoplifting, robbery, burglar, employee control?

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Have you talked to your insurance agent?

Buying a business someone else has started: Have you considered purchasing a going business rather than setting up a new operation?

Have you determined the “real” reason the owner wants to sell? _____
Have you compared the cost of buying the business with the cost of starting a new business?

Is the building, equipment and stock in good order and can the lease be readily transferred?

How about the suppliers of the company?

MAKING IT GO:

Advertising: Have you decided how you will advertise?

Have you watched the ads of your competitors?

How much can you afford for advertising?

Price: Do you know how to figure out what you should charge for each item you sell?

Do you know what other stores like yours charge?

Buying: Do you have a plan for finding out just what your customers want?

Will your plan for keeping track of inventory tell you when it is time to order more and how much to order?

Do you plan to buy most of your stock from a few suppliers rather than a little from many so those you buy from will be more likely to help you succeed?

Selling: Have you decided whether you will have sales clerks or run a self service operation?

Do you know how to get customers to buy?

Have you thought about why you like to purchase from some sales clerks but not others?

Your employees: How are you going to train your help?

Do you know where and how to find good employees?

Do you know what kind of person you need?

Credit: Have you decided whether to extend credit?

Have you checked with the bank about getting set up with Visa and Mastercard?

Can you recognize the difference between a good credit customer and a “dead-beat”?

What Else? Could you make more money working for someone else and is for, how does the opportunity compare with future projected profits from a business of your own?

Does your family go along with your plans to start a business of your own?

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Do you know where to find out about new ideas and new products?

Do you have a “work plan” for your employees, and for yourself?

Have you checked to see if there are any governmental agencies available to help you set up your new business?

IF YOU HAVE ANSWERED ALL THE ABOVE QUESTIONS, YOU HAVE DONE SOME SERIOUS THINKING. As you proceed in a business of your own don't hesitate to ask others for help. Running a business takes will power. Decide what you need then go after it full blast!

What You Should Know About Multi-Level Marketing

Multi-Level Marketing

Just what are all those thousands of programs and solicitations spreading a swath across the country...called “Multi-Level Marketing”? Well a good portion of them are nothing but chain or pyramid schemes, some completely illegal.

A true Multi-Level plan is one in which there is an agreement between yourself and a manufacturer or distributor to purchase products at wholesale and sell them at retail, also with the right to sponsor others (your down line) thus multiplying your sales base and profits by receiving a percent of the sales made through your downline. Persons you sponsor show others the program and sign them up as members under themselves. In effect you are multiplying your efforts by selling the product through a network of distributors. The downline is usually set up at three to five levels deep although it seldom gets that far, especially if it is a multi-level program being circulated through the mail.

A small initial investment is all that is usually required to become a distributor. You should have a flexible schedule but little experience is necessary. For you and your distributors to have any kind of success, you must handle high quality items which can be sold at substantially below retail store prices.

Distributors are charged for the program packet which includes instructions, literature, samples, etc. To be legal, the investment must be only a nominal amount. Sale or consumption of the product must be the prime objective and no fees should be collected for recruiting endeavors.

A common problem in recruiting people is getting them to “Look at the Plan”. If they have seen multi-level plans before they won't give anyone a chance to explain the programs they think they already know all about it. Some get around this by inserting an ad in the local paper, asking interested parties to call about “a good money-making plan”. They use a telephone answering machine which advises the caller where and when to attend an “Income Meeting”. The machine doesn't give them a chance to ask questions. If they are interested and not just curiosity seekers they may show up for the seminar.

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Multi-level selling by large party plan firms are often successful because they keep their members productive through a series of coaxing, weekly meetings, phone calls and home visits. This stimulates activity and better results are obtained. These elements are missing in Multi-level mailorder programs. There is no motivation, inspiration or force applied to down liners. The meetings and personal contacts that represent strength are missing when the business is conducted by mail. Therefore a good many of the multi-level mailorder programs can't work and are basically worthless, especially on a 4 or 5 level down line position.

A typical multi-level get rich scheme is where you are offered a book selling plan for \$5.00. You are assigned a code number and mail out 500 brochures. When your name reaches the fifth level you are supposed to have collected something like \$50,000 in commission for 100,000 books which sold for a total of \$500,000. This is based on only 10 orders received by you and 10 orders received by each of your down liner's who also mailed 500 brochures.

If only 10 people in the entire United States initially worked this one plan with the same success you are supposed to have, there would be 5,000 brochures out the first level; 50,000 the second level; 500,000 the third level; 5,000,000 the 4th level and 50 million in the 5th level. That would amount to some \$11,000,000 in postage with brochures delivered to over one-half of the 90,000,000 mailorder buyers in the U.S.

This type of program will collapse under its own weight. After one level there is usually a complete drop-out.

Most such plans get started because of exorbitant, dishonest claims. Tell the truth in an ad on Multi-level marketing and there are very few takers. Change the ad to greatly exaggerated claims, such as "Earn \$100,000 a year working from the home part time" and the inquiries pour in. The response on this kind of ad doesn't mean that anyone will make any money!

There are too many ways to make an honest living without telling lies so keep your Multi-level plans level!

As mentioned previously unless the organization you are dealing with offers top quality products at discount prices it is very difficult to make a living with the multi-level marketing concept. A person has to knock on a great number of doors, or send out a massive amount of literature through the mail in order to find qualified people who are interested in pursuing this kind of activity.

If multi-level programs worked as good as many of them advertise the nation would be flooded with solicitations thousands of times over for every plan on the books.

Being able to work a multi-level plan on a part time basis at your leisure, with no pressure from the company as to how much of the product you purchase

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or the amount of business you must bring in each month, is one of the attractions of this kind of activity but results are usually negative. It's too easy to forget about the business, sit back in your easy chair, and watch TV.

After a hard days work at another job it doesn't take long to forget that you have a part-time multi-level program going. That phone call or that meeting to show the plan is too easy to put off until "tomorrow". Yes; it takes a certain kind of individual to follow through and they are few and far between. You may make 200 calls and show the program 100 times before you get even one member who will take an active part in the program.

Most multi-level plans state that you can make thousands of dollars by duplicating yourself a few times and your down line doing the same. It never works that way. You are fortunate if a small percent of your down line produces much of anything unless you are able to spend a great deal of time teaching and promoting their business as well as your own.

How are you supposed to get prospects and member? Most of the promotional materials suggest you solicit your friends, neighbors and relatives, at least as a starter. Many people are reluctant to "take advantage" of their friends. Of course, if you have the best bargains available "anywhere" you may be doing them a great favor.

Phone calls, word of mouth, direct mail pieces and follow-up, and local classified ads are other methods used to get members and sell the products.

Multi-level companies usually offer news letters, catalogs, direct mail pieces, and Camera/Ready material which members can have copied or printed locally. They often have name lists available or advise members how to compile their own lists.

Mail Order multi-level organizations will usually drop-ship direct to your customers if you wish. They also are set up to do most of the paper work and accounting, leaving members with little detail work.

If you decide to try a multi-level program you are usually required to pay a fee for which you will obtain all the materials and information pertaining to the organization, the products and how the program works. You may also be asked to purchase some of the items you will be selling. You will contact friends and neighbors, explaining how the program works, try to sell them merchandise from the catalogs and sign them up as members if possible. You will compile lists of prospects and make direct mailings. As your business develops you will need to contact those in your downline periodically and offer sympathy, help and assistance in order to make the business grow.

Many other incentives, prizes and extra commissions are offered by some firms.

Make sure the organization you choose and the programs they offer are

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legal. If it is just a pyramid scheme whereby members are merely signing up others for a fee and little if any merchandise is being sold it could be illegal. In any event, this type of operation will produce little if any money-making opportunity. If in doubt it is advisable to check out the firm with the Better Business Bureau or with the Postal Authorities when it involves direct mail methods.

Remember also, there are some very fine multi-level firms offering good opportunities for success oriented people. Those who thoroughly enjoy meeting and working with others, who are not afraid of hard work, not easily discouraged and who can persevere in the face of many disappointments, have made their fortunes in Multi-level marketing. With such attributes and the right program together with proper training you can be a success in this kind of business.

ILLEGAL MULTI-LEVEL PLANS! In certain states most Multi-Level Sales plans can be classified as illegal since it is unlawful to organize a "pyramid club" or to induce or attempt to induce membership in a "pyramid club".

In such states a "Pyramid Club" means a sales device whereby a person, upon condition that the person make an investment, is granted a license or right to solicit or recruit for economic gain one or more additional persons who are also granted such license or right upon condition of making an investment, and who further perpetuate the chain of persons who are granted such license or right upon such condition. Pyramid clubs also include any such sales device which does not involve the sale or distribution of any real estate, goods or services, including but not limited to a chain letter scheme.

A limitation as to the number of persons who may participate, or the presence of additional conditions affecting eligibility for such license or right to recruit or solicit or the receipt of economic gain therefrom, does not change the conditions for a consideration other than personal services, of property-tangible or intangible and includes without limitation, franchises, business opportunities and services. It does not include sales demonstration equipment furnished at cost for use in making sales and not for resale. The items in the sales kit may not be sold to the participants for the purpose of resale. "Investment" covers any amount or value paid for a reason other than the purchase of a sales kit.

Pyramids are illegal because they are inherently fraudulent. In order to achieve the profits that are promised, a never ending chain of participants must be recruited. A saturation point will be reached and no more recruits will be available. When this occurs the most recent recruits can't receive what has been held out to them to cause them to join, and they lose all or part of what they paid to join the scheme. After just a few levels there would have to be millions or billions of participants to keep the chain going.

Chain letters are not the only illegal pyramids. As noted above Multi-level sales schemes can be illegal also. Many of them are nothing but chain letter

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schemes with the nominal addition of some goods or services to be distributed. Legal multi-level marketing systems are designed to distribute goods or services and are not disguised as endless chains. A pyramid club is present if participants make investments in return for the right to recruit, for economic gain, others who in turn recruit additional participants.

Both the “investment” and “recruiting” elements must be present to constitute an illegal pyramid scheme. “Recruiting for Economic Gain” means if anything is received directly or indirectly as a result of recruiting new participants. Even earnings based on sales made by new participants recruited, also constitutes economic gain.

Evaluating multi-level sales schemes is a difficult process and many considerations must be answered in order to determine the legality or illegality of each multi-level plan or program. Is there more stress toward recruitment than for the sale of the product. Are the claims, as to what the earnings are, base on actual experience of typical participants? (They better watch out for the entries made in the IRS computers pertaining to their fabulous income claims).

Are there misleading representations? You would have to get your attorney to review specific circumstances of each plan or program in order to determine which ones are legal or illegal! Even then you can't be sure. I am certain however, that if you send any of them that are questionable to the Postal inspectors office you will generally get a negative report back, regardless of whether the plan may be legal or not.

The fact that the Federal Government, through the private, non-governmental agency known as the Federal Reserve, can print and issue green paper out of thin air and cause usurious interest rates across the country, or that the States can hold lotteries that are considered illegal for private agencies or persons, has nothing to do with the way people are not allowed to play the multi-level or chain letter game!

How To Buy Anything From The Government Dirt Cheap!

The vital information contained in this report will allow you to purchase just about anything you desire from the U.S. Government at rock bottom prices and sell it for huge profits!

Everyday, hundreds of thousands of valuable items, including yachts, airplanes, luxury cars, pickup trucks, jewelry, computers, RV's, houses, furniture, furs, typewriters, jeeps, and much more, are seized in drug raids and auctioned off to the public at incredibly low prices.

Billions of dollars and personal property is also seized or repossessed by the U.S. Customs Service, U.S Marshals. the Veteran's Administration (VA), The Housing & Development Authority (HUD), Sheriff's Departments, Police Depart-

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ment, U.S. Postal Authorities, Bankruptcy Courts, and other related agencies.

In addition to all of this, department of Defense Surplus offers endless opportunities to purchase unbelievable bargains. People who know how to get involved in buying government property also know that without any previous experience or specific skills, just about anyone can purchase anything the government has for sale and turn it into a profit!

People just like yourself who have discovered the real meaning of what an “unbelievable bargain” is by attending government auction sales, have gotten involved for one of the two reasons: 1) They want a specific item and know they can buy it at an enormous discount; or 2) They are in the business of buying many items at low prices, and selling them for a huge profit!

Whatever your motive, you can also take advantage of your new purchasing power once you know how to get involved. Maybe you have always dreamed of owning a yacht, stretch limo, or other luxury vehicle. According to recent figures, the government is expected to sell up to one-quarter million vehicles! How would you like to purchase a Porsche, BMW, Jaguar, Lincoln Stretch Limo, Mercedes, Cadillac, or other luxury car for less than \$100, and then resell it for a fast \$20,000 profit?

If you have wanted just about anything, but felt you would never be able to afford it, this is your golden opportunity! Would you like to be your own boss into a business for yourself? Now you can! Through smart buying at bargain prices, and reselling at markups retailers can only dream about, you can put yourself into a position of financial independence faster than you could ever imagine!

With the unbelievable bargains that will be available to you, you can realistically began to think about starting a Surplus Store of your own, filled with office furniture, machines and supplies. Or maybe you want to specialize in buying and selling luxury cars! Do you enjoy the electrifying atmosphere of a flea market or swap meet? Government auctions and surplus sales can provide you with an endless supply of merchandise to sell.

Whatever your wants, or dreams, the information in this report will show you how to make wealth-building dreams come true. By writing to the various agencies and receiving pamphlets and other materials they send to you, you will be able to decide which agencies and sales are suitable for you. then you will control an extensive network of contacts, representatives, and other agents who will let you know what items they have for sale. Items you can purchase for pennies on the dollar.

FEDERAL GOVERNMENT SURPLUS

The U.S. General Services Administration (GSA) and the Department of Defense (DOD) are the primary agencies offering federal personal property. Any one of three sales methods may be used to sell surplus personal property. No

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preference is given to any individual or group no matter which method is used.

SEALED-BID AUCTIONS: Bidding forms are provided to participants. The "Invitation For Bid" (IFB) form describes the property being offered, indicates, and may special conditions regarding the sale. Sealed bids are opened publicly and awards are given to the highest bidder.

TRADITIONAL PUBLIC AUCTIONS: Property is offered, item by item, and sold to the highest bidder. Bidding instructions are given by the auctioneer on the government property offered.

SPOT BIDDING: Here, a buyer has the opportunity to write down and mail in his bid. Property is awarded after full payment is received.

The best way to keep yourself informed about sales is to get your name on the GSA's prospective mailing lists. Tens of thousands of luxury cars, sports cars, RV's, semi's, pickup trucks, and more, are sold each year. You will have to write to each of the 11 regional centers indicated below if you want your name to appear on each of their mailing lists. Each has a different application. When you write, ask that your name and address be placed on the bidder's list.

NATIONAL CAPITAL REGION

(District of Columbia, nearby Maryland and Virginia)

GSA CUSTOMER SERVICE BUREAU 7th and D Streets, SW Washington, DC 20407

REGION 1 (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)

GSA CUSTOMER SERVICE BUREAU Post Office and Courthouse Boston, MA 02109

REGION 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

GSA CUSTOMER SERVICE BUREAU 26 Federal Plaza New York, NY 10278

REGION 3 (Delaware, Pennsylvania, Maryland, Virginia, West Virginia)

GSA CUSTOMER SERVICE BUREAU Ninth and Market Streets Philadelphia, PA 19107

REGION 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

GSA CUSTOMER SERVICE BUREAU 75 Spring Street, SW Atlanta, GA 30303

REGION 5 (Illinois, Michigan, Minnesota, Ohio, Wisconsin)

GSA CUSTOMER SERVICE BUREAU 230 S Dearborn Street Chicago, IL 60604

REGION 6 (Iowa, Kansas, Missouri, Nebraska)

GSA CUSTOMER SERVICE BUREAU 1500 E. Bannister Road Kansas, MO 64131

REGION 7 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

GSA CUSTOMER SERVICE BUREAU 819 Taylor Street Fort Worth, TX 76102

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REGION 8 (Colorado, Montana, N. Dakota, S. Dakota, Utah, Wyoming)

GSA CUSTOMER SERVICE BUREAU Bldg. 41-Denver; Federal Center Denver, CO 80225

REGION 9 (Somoa, Arizona, California, Guam, Hawaii, Nevada)

GSA CUSTOMER SERVICE BUREAU 525 Market Street San Francisco, CA 94105

REGION 10 (Alaska, Idaho, Oregon, Washington)

GSA CUSTOMER SERVICE BUREAU GSA CENTER Auburn, WA 98002

INTERNAL REVENUE SALES

A major of forced-sale merchandise and property is the Internal revenue Service. When the government confiscates a debtor's property through the IRS, it is sold to the highest bidder to recover a part of its losses.

Property sold by the government is not subject to usual laws of supply and demand. forced sales operate outside supply and demand laws because the government controls the sale of confiscated property. Their only interest is in trying to recover a certain debt that has been incurred, not what the actual market value is.

Because realtors aren't informed about forced government sales, you have a distinct advantage! You will be notified of sales as a potential bidder once you get your name on their mailing list. Then you can go directly to the IRS to make your own incredible deal on property selling far below market value.

IRS property is sold either by public or sealed bid auction. Individual agents are responsible for selling property within their divisions. That means you won't have to deal with a central or district office to obtain information about property being auctioned.

Contact an IRS agent nearest you by referring to your telephone directory. Ask for information that will allow your name to be placed on mailing list throughout the country. Also, request a copy of the Internal Revenue Service Code Manual Part V Chapter 300 at your local library to learn more about how the IRS auctions off confiscated property.

POST OFFICE AUCTIONS

Post Office Auctions, also know as dead parcel or dead letter auctions, are conducted in regionally located U.S. Post Offices. tens of thousands of items that never reached their intended destination, or were never claimed by the sending or receiving parties, are auctioned off.

Unclaimed parcels are opened at dead parcel branches to determine if the property can be returned. If the sender remains unknown, or if the postage remains unpaid, the contents will be sold at auction.

To obtain Post Office Auction notices and procedures you must have your

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name placed on a bidder's list. You can receive information regarding the auction sale by writing to the manager in charge of the sale.

Thousands of items are auctioned off including, clothing, luggage, books, watches, rings, miscellaneous, jewelry, electronic equipment and sound recordings, leather good, and much, much more! The minimum bid is usually \$5.00, and many items are sold in lots of 50, 75, 100, 200, 500, or more.

To have your name placed on all the U.S. Post Office's regional dead parcel branches bidder's lists, write the following addresses and request that your name be added to their auction bidder's mailing list:

U.S. POST OFFICE REGIONAL DEAD PARCEL BRANCHES

WESTERN REGION (Washington, Oregon, California, Arizona, Alaska, Hawaii, Montana, Idaho, Nevada, Utah)

U.S. Post Office Dead Parcel Branch 1300 Evans Avenue San Francisco, CA 94188-9661

SOUTHERN REGION (Texas, Oklahoma, Louisiana, Arkansas, Florida, Tennessee, Mississippi, Georgia, Alabama)

U.S. Post Office Dead Parcel Branch P.O. Box 44161 Atlanta, GA 30336-9506

CENTRAL REGION (Wyoming, Colorado, Kansas, Iowa, Minnesota, Missouri, Wisconsin, Michigan, Illinois, Indiana, North Dakota)

U.S. Post Office Dead Parcel Branch Chicago, IL 60607-9506

Postmaster Dead Letter Branch U.S. Post Office 180 E. Kellogg Blvd. St. Paul, MN 55101-9414

NORTHEAST REGION (New York, Maine, New Jersey, Vermont, Rhode Island, Massachusetts, Connecticut, New Hampshire)

New York City Post Office Auction Room 380 W. 33rd St. New York, NY 10001-9998

EASTERN REGION (Ohio, Kentucky, Virginia, Maryland, Delaware, Pennsylvania, North Carolina, South Carolina, West Virginia, New Jersey)

U.S. Postal Service Claims & Inquiries 30th & Market St. Philadelphia, PA 19104-9998

SHERIFF'S SALES

When a person refuses to pay a court judgement, his property can be confiscated by the sherriff's department and put up for sale. Money from the proceeds of the sale are then applied against the outstanding debt.

Sheriff's sales are under the jurisdiction of state courts, so you will have to check with your local sheriff regarding sale rules and procedures. In some states, for example, all sales are final; while others the person whose property was confiscated is allowed a certain amount of time to redeem his property by paying off the debt that led to the action.

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Sheriff's sales are oral auctions with the property going to the highest bidder. The winning bidder must immediately pay for the property with cash, certified check, or money order.

To learn more about sheriff's sales in any area, call information in the state and county you are interested in and ask the operator for the county's Sheriff's department. When you reach the Sheriff's Office, ask to have your name placed on their mailing list.

VA AND HUD SALES

When a home mortgage is VA guaranteed or FHA insured, either agency will foreclose on homes if the buyer defaults by not paying the mortgage off as stipulated in his contract with a lender.

FHA has many types of programs available for purchasing or rehabilitating various homes and buildings. While HUD does not issue funds for loans, they do guarantee loans that are made through banks, and other lenders. If a borrower defaults on payments, HUD pays off the balance and takes over ownership on the property. In effect, and FHA insured loan on foreclosed property is turned over to HUD and listed as a HUD repossessed property.

HUD and VA sell repossessed property through a sealed bid process, and require that offers be submitted through a real estate broker who has been certified by the government. There are no hidden charges passed on to you by these brokers. They are paid by the government to perform this service.

DEFENSE DEPARTMENT SURPLUS

The Defense Property Disposal Service (DPDS) has the primary responsibility for the Defense Department sales program. They receive property from the Defense Logistics Agency, Army, Navy, Air Force, Marine Corps and other Department of Defense components.

You can purchase products including anything from aircraft, parachutes, pontoons, and turbine engines, to furniture, fixtures, machinery, and tractors. There's something for everyone at incredibly low prices~

Real property is sold by the "government General Services Administration" (GSA) and includes: Land, buildings, civil and federal government agency surplus property. For additional information contact:

GSA-FSS, Office of Property Management, Crystal Mall 4, Rm. 1019, Washington, DC 20406.

Department of Defense surplus property is sold by the "Defense Reutilization & Marketing Regional Sales Office" (DRMR). You can receive a listing of locations where surplus property is stored and a "National Bidder's List Application Form" by writing to:

DOD Bidders Control Office, P.O. Box 1370, Battle Creek, MI 49016. Your

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name will then be placed on their catalog mailing list.

U.S. MARSHAL SALES

Property seized by U.S. Marshals is sold in the county where it was seized. Items auctioned off include boats, cars, jewelry, trucks, gold rings and watches, real estate, luggage, cameras, computers, furniture, and thousands of other items, all sold at bargain prices!

Most U.S. Marshals do not, and are not required to maintain a buyer's mailing list. Some do however, and it would be wise to write directly to a U.S. Marshal in any area you are interested in and ask if they will place your name on a mailing list. You should also ask what paper they advertise their auctions in. Refer to your telephone directory or operator to locate a U.S. Marshal's office nearest you.

PROPERTY CONFISCATED BY U.S. CUSTOMS

Items Confiscated by U.S. Customs Inspectors are sold by the U.S. Customs Service Regional Commissioner at oral bid auctions.

The U.S. Customs Service seizes merchandise worth billions of dollars annually. They include diamonds, gold, silver, coin and stamp collections, jewelry, china, crystal, furniture, exotic rugs and fur coats, antiques, yachts, motorcycles, trucks, tractors, snowmobiles, RV's, all terrain vehicles, cameras, computers, boats, helicopters, jeeps, luxury cars, and much more! Every auction you attend can mean another buy of a lifetime!

To get involved with U.S. Customs Service Auctions, refer to your telephone directory and write to the Regional Commissioner of the U.S. Customs Service located nearest you, or the region you want to bid at. Ask the commissioner to place your name on his mailing list to receive catalogs and announcements of upcoming surplus property sales.

BANKRUPTCY SALES

Thousands of bankruptcies occur every year. When an individual or business goes bankrupt, the courts take over all the assets available that can be auctioned off and applied towards the debts that were incurred.

Bankruptcy proceedings for claiming and auctioning off property varies little from state to state, because the U.S. bankruptcy court oversees all bankruptcy proceedings. As a general rule, the court will appoint a trustee who has the responsibility of liquidating a debtor's assets. The trustee will then hold a public auction or sealed-bid sale to dispense of the property.

The variety of merchandise at bankruptcy sales is staggering! When you consider the tens of thousands of individuals and businesses who are forced to file under Chapter 7 (which results in the liquidation of a debtor's assets to pay for liabilities accumulated) with each person and business offering different products, the magnitude of what can be purchased at incredible savings is simply incredible!

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To get involved in bankruptcy sales, write to your District U.S Bankruptcy Court Trustee and request that your name be placed on their mailing list. Bankruptcy Courts are listed in the white pages of your telephone directory under U.S. Government Offices.

You can also contact your Court Clerk and request that your name be added to their local mailing list in your area.

Your Money Guide To Free Government Grants

Anyone thinking about going into business for themselves, or wanting to expand an existing business should rush for the world's largest "one-step-money-stop" where FREE MONEY to start or expand a business is being held for you by the Federal Government.

It sounds absolutely incredible that people living right here in the United States of America wouldn't know that each year the world's largest source of free business help delivers:

- * over \$30 billion dollars in free grants and low interest loans;
- * over one-half trillion dollars in procurement contracts; and
- * over \$32 billion dollars in FREE consulting and research grants.

With an economy that remains unpredictable, and a need for even greater economic development on all fronts, the federal government is more willing than ever before to give you the money you need to own your own business and become your own boss!

In spite of the perception that people should not look to the government for help, the great government give-away programs have remained so incredibly huge if each of the approximately 8 million businesses applied for an equal share, they would each receive over \$70,000.

Most people never apply for a FREE GRANT because they somehow feel it isn't for them, there's too much red-tape, or simply don't know who to contact. The fact is however, that people from all walks of life do receive FREE GRANT MONEY and other benefits from the government, and you should also.

HOW TO FIND FUNDING SOURCES WORTH BILLIONS

As with all grant seeking, the key to obtaining grants is preparation and knowledge about funding sources. Preparation means identifying programs that are available, and determining if you fall within their restrictions.

the following sources will be invaluable to you in locating thousands of sources of FREE MONEY~

FEDERAL REGISTER:

This daily publication contains changes, proposed changes, and notices about rules and regulations affecting all government agencies and their programs.

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Federal agencies must publish the program description, eligibility requirements, and program guidelines in the Federal Register. For current subscription costs write to: Superintendent of Documents, U.S. Government Printing Office, Washington, Dc 20402.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE:

This publication lists a complete description of every program in the federal government that makes funds available to private business. Write to the U.S. Government Printing Office, Washington, DC 20402.

COMMERCE BUSINESS DAILY:

This publication contains a daily listing of U.S. Government procurement invitations, contract awards, subcontracting leads, sales of surplus property, and foreign business opportunities. For current annual subscriptions costs write to the Superintendent of Documents, U.S. Government Printing Office, Washington, Dc 20402.

THE FOUNDATION CENTER:

888 Seventh Avenue, New York, NY 10019, will provide you with a listing of philanthropic foundations.

FREE FEDERAL MONEY GIVEN AWAY TO ASSIST BUSINESSES

GRANT MONEY FOR BUSINESSES IN POOR ECONOMIC AREAS:

Contact the Economic Adjustment Division, Director, Economic development Administration, Herbert Hoover Bldg., Rm. H7217, Washington, DC 20230.

GRANT MONEY FOR MINORITY BUSINESS DEVELOPMENT:

Grants are awarded up to \$2 million dollars to stimulate business growth. Contact the Minority Business development Agency, department of Commerce, Washington, DC 20230.

FREE MONEY TO PROVIDE ASSISTANCE TO ECONOMICALLY DISADVANTAGED BUSINESS:

Management and technical assistance is provided free to disadvantaged business. Contact the Associate Administrator for Small Business, 1441, L Street, NW, Rm. 602, Washington, DC 20416.

GRANT MONEY FOR INVESTORS IN RENTAL APARTMENT BUILDINGS WHO ARE FINANCIAL TROUBLE:

Contact the Chief, Program Support Branch, Management Operations Division, Office of Multi-Family Housing Management, department of Housing and Development, Washington, DC 20420.

GRANT MONEY FOR WOMEN'S ENTERPRISES:

Up to \$200,000 dollar grants are awarded to women in business annually. Contact the Grants Management Office, Small Business Administration, 1441 L Street, NW, Washington, DC 20416

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REAL ESTATE INVESTORS WHO RENT TO ELDERLY OR HANDICAPPED PEOPLE:

Contact the Director, Office of Multi-Family Housing Management, Dept. of Housing and Urban Development, Washington, DC 20410.

GRANT MONEY FOR INDIAN-OWNED BUSINESSES:

Contact the Office of Indian Services Director, Bureau of Indian Affairs, 18th & C Streets, NW, Rm. 4600, Washington, DC 20240.

FREE STATE GRANT MONEY

There simply isn't enough room in this report to begin listing all the FREE MONEY programs that are available from the federal and state governments. We can tell you however, the general types of programs that are available and where to begin.

As you contact different agencies for grant money, learn not to accept "no" as a final answer. There are so many new programs being offered each year that often an agency's own employees won't be aware they are offering the one you ask about. If being persistence doesn't help, get in touch with your Congressman and let them track down a program that meets your needs.

TYPES OF PROGRAMS THROUGH STATE & FEDERAL AGENCIES

FREE MONEY

Usually through direct grants that do not have to be paid back.

BUSINESS CONSULTING

Free management advice is offered on almost every business subject by the Department of Economic Development to minimize new business start-up management costs.

BUSINESS SITE SELECTION

State hired specialists are available to assist new entrepreneurs select the best possible location for their new business.

MANAGEMENT TRAINING:

Most states will assign specialists to work with a new business with one-on-one management training.

EMPLOYEE TRAINING ASSISTANCE

This program provides FREE MONEY to train employees. FREE MONEY is also available to send employees to school.

RESEARCH & DEVELOPMENT GRANTS:

FREE MONEY is available to attract high-tech related companies.

PROGRAM CONSULTANTS:

States have highly trained management consultants who will locate Federal Grant Programs to help you through the application process.

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FORMS & DOCUMENTS:

State professionals will help a new business owner apply for permits, licenses, or any other legal document a business may require.

VENTURE CAPITAL FINANCING:

This method can provide **FREE MONEY** in the sense you wouldn't have to pay it back. You would, however, probably have to give up part of the ownership of your business in order to receive financing. Most states have their own venture capital finance firms that invest in high risk businesses.

MINORITIES & WOMEN:

FREE MONEY grants are available in most states for women or minorities who want to start a business.

LOW INTEREST LOANS:

A state may raise money through industrial revenue bonds to buy your fixed-assets equipment. The public, which invest in these bonds, do not pay taxes on the earned interest. When a low interest loan is granted, the state does not guarantee that investors will get their money back if the business fails. If a state issues a general obligation bond, a public investment is then guaranteed. the states will also make direct loans at low interest, or even co-sign a commercial bank loan. If a state co-signs a loan for you, it may subsidize your interest and reduce an already low-interest rate lower yet.

SMALL BUSINESS DEVELOPMENT CENTERS

Every state has Small Business development Centers who can match you with the right **FREE MONEY** grant program. All development centers offer free counseling to anyone wishing to start or expand a business. their services are varied but include; **FREE** seminars, workshops, business planning, feasibility studies, marketing research, management analysis, sales technique, financing, exporting, inventory control, accounting, record keeping, and grant application. Whatever your questions about **FREE MONEY** grants or starting a business, refer to your telephone directory under State Offices and contact your Small Business development Center.

GETTING FREE MONEY FROM VENTURE CAPITAL SOURCES

A venture capital company is another source for **FREE MONEY** in financing your business plans. But since they are willing to assume some risk by investing in your business, they also expect some equity in the business itself.

Venture capital companies invest in projects they feel will be successful and bring a return on their investment. If you are interested in asking a venture capital company to invest in your business refer to your telephone directory under Venture Capital Companies or Investment Companies, and contact those who are in the same area you want to start your project in.

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SMALL BUSINESS INVESTMENT COMPANIES

Small business investment companies can provide your business with the capital it needs by; 1) giving you a free loan; 2) making a stock investment in your business; or 3) offering a combination of the two.

Small business investment companies are in the business of making money just like any other business. The biggest difference between them and another investor is:

1) They are privately managed firms who are licensed and partially financed by the federal government's Small Business Administration.

2) All of its transactions are regulated by the government.

3) Their success depends on the growth and profits of companies they own stock in. They often give money in exchange for stocks.

4) Their loans usually carry lower interest rates than commercial banks.

5) Straight loans repayments are carried over a longer period of time.

6) Most businesses are eligible, especially if they are 50% minority owned.

For a complete listing of the thousands of Small Business Investment Companies, visit your local library and ask for the SBIC Catalog. Study the catalog and note the companies that specialize in your area of interest. Then write them and request more information on what they have to offer.

WRITING A SUCCESSFUL GRANT APPLICATION

To write a successful grant application for FREE MONEY it should be well planned. You should be familiar with exactly how a particular agency prefers to have their grant proposals completed. If you have no experience in writing grant proposals, this is another area where your Small Business development centers can help.

WORK CLOSELY WITH THE FREE MONEY GRANTOR AGENCY

Once you decide which government agency you want FREE MONEY from, contact them and ask for a grant application. Get to know some of the grantor agency personal. Experts love to talk about their programs, so ask for advice, suggestions, and criticisms about your proposed project.

In most cases, the more the agency knows about your grant proposal, the better your chances will be of getting support from the personnel who ultimately approve your FREE MONEY request.

Often it is to the grantor's advantage to send their grant proposal summary to an agency official they have developed a contact relationship with, and ask them to review and return it to you with their comments. Be certain this approach is acceptable with your agency. You wouldn't first want a first draft mistakenly processed before it was finished.

Making a personal visit to the agency's office in your area is also important.

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Face to face contact will help you understand eligibility requirements, deadlines, maximum FREE MONEY amounts you can apply for, and other details you want to know about. You can also utilize an agency's library and determine through books, brochures, and conversation if there are other agencies you could apply for FREE MONEY. there is nothing that says that you can't apply for, two three, or more FREE MONEY grants at one time!

ESTABLISH YOUR OWN PROFESSIONAL NETWORK

Do some networking and maintain continuous contact with people who can gather information for you about FREE MONEY GRANTS. Nothing can be substituted for personal contact with the decision makers who are in charge of grant programs. Learn to use your personal influence (and theirs) to achieve your goals.

The US. Government Printing Office maintains a wealth of information that people never take advantage of! Write to them and ask for a copy of the "U.S. Government Directory" and ask for a list of books, brochures, and documents that covers your field of interest. Tell them you are especially interested in obtaining information about FREE FEDERAL MONEY that's available to private citizens.

Remember, "FREE FEDERAL MONEY" doesn't mean you have to travel to Washington, DC. It just means finding out where the agencies are within your own state and local government. The contacts you want to make may be only minutes away.

Make \$600 A Day - Every Day - As A Videographer

We've seen a lot of new hi-tech developments come into our lives during the past several years: The home computer, word processor, electronic typewriter...and how in the world did we ever get along without the ever popular VCR? One of the major products on the scene, of course, is the video camera, also known as the camcorder.

The camcorder is to video what the tape recorder was to audio when it was popularized back in the early 50's. The major difference between the two, aside from the obvious functions, is the price. The audio tape recorder, first introduced at a price of just a couple of hundred dollars (now as low as \$19.95 for some smaller cassette recorders) can't compare to the high price of the camcorder which goes for \$1,400 to \$4,000.

At these prices, the camcorder is certainly not a toy or novelty that the average person wants to own. It's an expensive, complex instrument that only comparatively few people want to buy because, let's face it, it's use is some what limited to occasional happenings or special events. It's not something a person would use every day.

This combination, however, is what makes the camcorder a fabulous poten-

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tial money making marvel: Limited use and high cost!

Yes, you can start a business with a camcorder and enjoy a hefty income of hundreds of dollars daily...many thousands of dollars annually. And... you can operate right from your own home, at least using your home as a base of operations, the actual business being conducted "in the field."

How can you become a Videographer, and in what areas?

Here are a few ideas that are making big money for other Videographers:

- * Weddings
- * Tournaments
- * Birthday parties
- * Conference speakers
- * Anniversary parties
- * Local bands & musicians
- * Bar mitzvah
- * Special dances
- * Graduations
- * Sporting events
- * Ceremonies
- * Newborn babies
- * Christmas parties
- * New Years parties

These are just some of the opportunities in Videographing. The possibilities are limited only by your imagination, the area in which you live, the events and happenings going on around you.

Why is this such a lucrative business? For one thing, because it gives your potential customer a permanent video record of something that's happening in their lives...which they can see over and over again on their own TV by playing the tape through their VCR. What couple wouldn't love to have a recording of their wedding to show their children in 10 to 15 years? What aspiring singer or rock band wouldn't want a video tape of their performance for their families and friends...and as a VIDEO RESUME to help them get additional engagements?

Consider things that will never happen again: A graduation- sports tournament- newborn baby- an important speech -a bar mitzvah. These are one-shots that can never be repeated...but they can be captured on video tape to be re-lived again and again!

CAPITAL INVESTMENT

Yes, there is an investment involved in getting started, but it's a cost that can repay itself many times over. The primary investment will be for the camcorder.

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There are relatively cheap models on the market priced from around \$800 but these are not recommended. Since this is not for pleasure, but for business, you should consider getting one of the best that money can buy, and that means an investment of at least \$2,000.

Some models are priced higher, depending on the features you want. You will also need accessories such as a light kit, tripod, and extra batteries.

LEARN BEFORE YOU EARN

Maybe you know all about camcorders. Maybe you already own one, or at least have had the opportunity of using one. But we'll assume neither of these is true. We'll assume you don't know the first thing about them, what they can and cannot do, or how to turn the darn thing on. If so, visit your local public library and ask for books on the subject. Spend a few nights reading up on the subject. Next, check your local colleges and high schools. They usually offer night classes on videotaping that are quite reasonable in cost and you can learn everything necessary in just a few classes.

Only the basics are necessary to learn. Most of your education will come from practical use of the video marvel on the job or in your own practice sessions. Video taping is not unreasonably complicated, so the learning process need not concern you at all.

Remember how complicated driving a car seemed to be before you learned how? Today it's like second nature to you. The same will be true of using the camcorder.

TEST BEFORE YOU INVEST

This will probably be music to your ears: You don't have to invest thousands of dollars in your new equipment UNTIL you are sure you will be able to make the business work for you. For your first few jobs you can RENT the equipment from a video store. The rental fee is about \$50 for a 24 hour period, a little more or less, depending on your area. With a rental camera, you can go out on your first job (or first couple of jobs) and test the waters, see if you like doing it. See if you can do a good job that will satisfy your clients.

The best way to begin, in fact, is to do a job for a friend or relative. You can either give them a nice discount or even do the entire job for free, just to get the experience. It should be worth the rental fee and your time to get some needed experience in the field where the action is.

You can learn from any mistakes you make and not feel too guilty or obligated, especially if they are paying less or nothing at all. You will find that your best advertising will come from word-of-mouth; one person recommending you to a friend...and that friend giving your name to another, and so on. You don't even have to pay for this kind of advertising, and it can really multiply your assignments. When word gets around that you have good video equipment, really

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know your stuff, do a great job and your prices are reasonable...your phone will probably start ringing off the wall

PERFECT HOME BASED BUSINESS

With this type of business you don't need a fancy show room, store or outside office. You can set up an office right in your own home. Naturally you will need a telephone and an answering machine would be a good addition. You don't want to miss incoming calls.

You might want to invest a few extra dollars in business cards, letterheads and envelopes, also statements for billing clients. All printed matter should cost no more than \$100.

PRICING YOUR SERVICE

One of the main obstacles in beginning a new business, especially a service such as Videographing, is how to charge clients. Priced too high and you'll get no business; priced too low and you'll make no money. Here's the best way to arrive at a fair and profitable price:

1. Check around to see if anyone else is offering a video taping service in your area. If so, find out their prices and keep this (or these) figures in mind when tabulating your own.

2. Determine how much time will be needed to do each job. Figure that your time should be worth \$50 to \$75 an hour. Don't let those figures throw you; remember you are not a salaried employees, but an independent business person with no paid vacations, no health insurance or other extras. You get paid for your work and for the time it takes to do the job, excluding travel expenses.

3. Now figure in the travel time and transportation necessary to arrive at the job. Add at least 25 cents a mile within a 25 mile radius. 50 cents a mile for distant jobs.

4. Figure the cost of renting or purchasing equipment on a percentage basis.

5. Add the cost of any help or assistance required for each job.

6. Now include the cost of any tape editing that may be requested, also copies of each tape that maybe requested for family and friends of your client. Determine editing on a time basis; copies on a time plus cost of each tape.

Since this is your business, you want to be flexible and provide a few of these extras free or at greatly reduced prices. For instances, if you're well treated and you really like the people you're working for, you might want to give them an extra copy of a finished tape free. This is a good will gesture that can only work in your favor in the long run. Of course, occasionally you might run across someone who is impossible to please, finding fault with everything you try to do for them. In this case, all prices will apply.

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PRODUCING INCOME

Once you get rolling in this business, you can set up appointments on a daily schedule. If you arrange 3 jobs per day, each averaging \$75 per hour (plus extras as indicated) and each job averages two hours...this should give you \$600 per day. That's a \$3,000 income from an average five day work week. If you want to take additional jobs Saturdays and Sundays, you might want to adjust your prices upward for this weekend work. On the other hand, if you seem to have slow days during the week (mondays for instance) you can offer a discount to fill the gap and get additional business for this off-day.

ADDITIONAL INCOME IDEAS

This could be just the tip of the Videographing iceberg, because there are many other ways to cash in on this type of business. One man developed a "Welcome Channel" idea and sold it to local hotels and motels. On an unused TV channel he showed a video on closed circuit of various stores, shops and activities and events in and around his area. He went to local merchants and offered to make commercials on video tape which would be then shown on his "Welcome Channel. "What are others doing in Videographing?

Here are a few ideas to get you thinking: Produce a series of how-to tapes on hiring professionals in a specific field and tape him/her doing the job. This could be a mechanic showing how to tune a car's engine; a cook or baker; an electrician showing how to wire a home; a plumber; a carpenter, etc., each doing what he or she does best, showing the layman how to do a specific job. This has great possibilities for those who don't like to read books or just don't have the time. Much more can be learned in far less time by seeing it being done by a professional then if it had to be read, analyzed and digested from a book.

Think about it. The opportunities are just beginning in the field of Videographing, and the income potential can be astounding. Remember: Whatever ideas you can come up with for producing on video tape can be offered to video rental stores and other stores on a commission basis. This can mean a nice additional income above and beyond your Videographing business.

Other profitable ideas to consider are: Looking through your newspaper and making a note of the women announcing wedding dates. Open your telephone directory and call these women and ask them if they would care to have the wedding video taped.

You might want to listen in on the police radio frequency, and make a video of any auto accidents, particularly those involving injuries. Your video could become very valuable for you when deciding a court case.

UNLIMITED OPPORTUNITIES

Whatever you decide, there are a few "sure success" points to keep in mind as you begin to sell your services; Offer quality work and reasonable prices, Dress

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professionally when meeting with potential customers, and always be prompt and reliable.

If you see to it that you met these success points you will be sure to get many referrals. Also, remember, there already are some four million videocassette recorders (VCR's) in American homes, with an estimated 100,000 being sold to new customers every month. Further estimates indicate that by 1994, at least one half of all U.S. households will own either a videocassette recorder.

What this means to you is that your market is growing and is expected to continue to grow and success is yours for the taking all that is required besides the equipment is marketing imagination, organization, and attention to detail.

Think about it. The opportunities are just beginning to open up for you in the field of Videographing, and the income potential can be astounding.

Remember: Whatever ideas you can come up with for producing on video tape can be offered to video rental stores and other stores on a commission basis. This can mean a nice additional income above and beyond your Videographing business.

Money For Your Business - Up To \$750,000 Guaranteed!

Roughly 98 percent of the companies in the United States qualify as small businesses - and most of these businesses are eligible for U.S. Small Business Administration loans up to \$750,000, available to build their operations.

To these businesses, the SBA guarantees of 90 percent on lenders loans up to \$155,000 and guarantees of 85 percent on larger loans. The SBA even makes direct loans to eligible individuals and companies.

As with any business loan, the SBA and its associated lenders look at the applicant's personal credit history, the business financial profile and management experience, and the growth trends in the applicant's industry.

Among SBA objectives are greater support for women and minorities in business, aid to rural small business development, and urban business and job creation programs.

The 7 (a) loan guarantee program is the SBA's standard program. It aids small businesses needing funds to buy fixed assets or for working capital.

In the 8 (a) program, the SBA acts as prime contractor, contracting with other federal agencies to negotiate subcontracts with small businesses owned by socially or economically disadvantaged individuals.

In 1987, 370,000 companies in the U.S. were owned by Asians, American Indians and other minorities. The SBA made over 1600 loans totaling over \$400 million to these companies.

There were more than 420,000 Black-owned business in the U.S. in 1987, up

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almost 40 % from 1982. The SBA made more than 500 loans and over 1600 8 (a) contracts totaling over \$1.4 billion Black-owned companies in 1990.

Over 420,000 businesses were Hispanic-owned in 1987, up more than 80% since 1982. A number of these firms took part in SBA programs.

Disabled and Vietnam-era veterans who cannot secure business financing on reasonable terms from other sources can go to the SBA. Veterans can use these loans to start a small business, or to build an existing business.

Small companies in the field of energy conservation can find financial support in the SBA's Small Business Solar Energy and Conservation Loan Program. Loans are available to a broad range of companies seeking ways to cut use of U.S. energy resources.

The SBA's Small Loan program encourages SBA-guaranteed loans of \$50,000 or less. Applicants should ask for the SBA Form 4 short form to apply for the small loans.

The recent microloan program offering loans of \$200 to \$15,000 makes SBA funding available to even tiny businesses.

The SBA HAL-1 and HAL-2 programs help handicapped individuals and non-profit workshops to establish, purchase or run a small businesses

The SBA's Certified Development Company (CDC) loan program offers credit for small and medium sized businesses that fall between the cracks of programs covered by traditional lenders. And the Export Revolving Line of Credit program helps small exporters to obtain an SBA guarantee on a loan or line of credit.

The SBA operates an information desk from 9 a.m. to 5 p.m. EST. Monday through Friday. Call 1-800-827-5722 (1-800-U-ASK SBA)

The Home Operated Wealth Builder's Program

The Home Operated Wealth Builder's Program - How to Use This Program to Build a Secure Lifetime Income - the Easy Way!

Thank you for ordering our plan, "The Home Operated Wealth Builder's Program." This report is one of fifteen reports included in our complete series, "How to Build a Lean, Mean MLM Machine - by Mail!" If you have not ordered the complete set of reprintable reports, I strongly urge you to do so now.

Here's a Genuine Opportunity

I have an honest-to-goodness, genuine business opportunity for you that you can operate right out of your home. Set aside some quiet time that you can read and study this plan. Pick a time like maybe early in the morning with a fresh cup of coffee. Then, sit back and relax and let me show you how easy you can make some serious money.

If you can pass out a few postcards, this plan can work for you. You can start

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immediately to earn extra cash while you are building a secure lifetime residual income. If you're like most people, you probably can use some extra cash to pay off those bills, buy a newer car, take a vacation, or even buy a new home. A few hundred extra a week sometimes makes a big difference - doesn't it? Or how about a few extra \$1,000? Or better yet, be your own boss and achieve total financial independence! If you like the sounds of this, why not start your own moneymaking business? You and I both know you'll never do it working for someone else.

Today's economy is in a real slump with no sign of change. When IBM, Xerox and GM start laying off by the 1,000's you know the economy is going from bad to worse. Even if you have a decent position, job security is fast becoming something of the past. At the slightest whim or downturn, you could be out looking in. Then what? That's what happens when you depend on an employer. You give him all you have, but then your career, promotions and frankly your limited income is always decided by someone else! It doesn't have to be that way. Not when there is bona fide opportunity that you can start right now. And this is not just an ordinary opportunity. It's rare type - the one in a lifetime.

Let me explain how this program can work for you. First of all, you are reading one of the 15 reports included in the MLM MACHINE series of reports. By purchasing the complete set of MLM MACHINE reports, you have the authority to copy them and sell them to others! You become the publisher! Since you can copy them for pennies and resell them for dollars, you can make a nice profit while starting on a shoestring budget. But this is just the beginning!

Embedded into the MLM MACHINE reports are no less than 95 additional moneymaking opportunities for you. For example, there are 15 sets of "reprintable reports," like this one that you can buy, copy and resell. You are not obligated in any way to participate in any of these programs. If you like, you can just resell the MLM MACHINE reports. But if you do participate in any of the programs, you will see that these programs are automatically promoted for you every time you sell a set of MLM MACHINE reports! You can promote this program entirely by mail. There is no face to face selling required.

Besides the reprintable reports offered, you will find that you will be invited to buy and resell 50 other mailorder dealership programs. None of these require any inventory. You simply promote them automatically through the MLM MACHINE reports. The reprintable reports and mailorder dealerships make a fast and easy way for you to earn extra cash with this program. Your profit is generally \$10 to \$20 for each order, so it can add up quickly.

But you have not heard the best yet! You also will be invited to participate in other "choice MLM companies." This is how you can earn some serious money like perhaps several thousand dollars per month. Some people earn \$20,000 a

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month with just one of these programs! But before we get into that, let's show you how to start small and then increase your earnings in a logical way. Listed below are the five basic ways you can earn profits from the MLM MACHINE program.

FIVE WAYS TO MAKE MONEY USING THE MLM MACHINE

1. Sell Reports by Circulating Postcards & Mini-flyers. If you have purchased the MLM MACHINE set of reports, you have everything you need to start immediately! The simplest and least expensive way to start is to copy the circulate the "mini-flyer" that is shown in the report, "MLM MACHINE Launching Pad Kit." Just rubber stamp your name on these flyers and follow the instructions in the report, "How To Make Money With Postcards." When you get orders, simply copy the report, "How To Make Money With Postcards" and send it off to your customer. You keep all the money up front. If your customer sent in an extra \$1.00 for this report that you are reading, copy it and include it as well. Also include a copy of the MLM MACHINE one page flyer. Why? You now have a customer that may buy the complete MLM MACHINE package from you. That's easy profitable business!

These reports are all four pages long and can be reproduced on two sheets of paper if you copy both sides. Since you can mail five sheets of paper plus an envelope for one first class stamp, you can mail two reports plus a copy of the MLM MACHINE flyer for one stamp. Therefore, if you copy the two reports (8 sides) and the MLM MACHINE flyer for, say 5 cents each, $(.05 \times 9 = $.45) = $.45$, buy one envelope for \$.05, and pay about 30 cents for the stamp, your cost would be $$.45 + .05 + .30 = $.80$. Therefore, you will have earned about $\$3.00 - $.80 = \$2.20$ for each order. Right? Well that's not a lot of money, but at least it's a start.

2. Sell the Complete Set of MLM MACHINE Reports. Let's now assume that you now have received a few orders for one or two reports, and you have ALSO included the MLM MACHINE flyer. Guess what happens next? Yep. You got it! You will not get repeat orders for the complete set of MLM MACHINE reports. Let's review what could have happened so far. Let's say that you spend \$10 or so to copy 200 or 300 hundred sheets of "mini-flyers". Each sheet contains 4 mini-flyers, so if you cut them apart, you will then have about 1,000 mini-flyers. If you circulate them in your local neighborhood, you can do it with no postage costs. Now, I can't tell you how many orders you will get, but let's say only 4% of the people order. If you are selective by circulating your flyers in literature racks and other optimal locations, you probably can do better than 4%. However, let's go with low estimates to be on the conservative side, so you would get about 40 orders. Right? OK, so you make only $40 \times \$2.20 = \88 . But how many MLM MACHINE orders will you get? Let's say, only 10% (4 customers) send in repeat orders for the MLM MACHINE. Well, that equals another $4 \times \$25 = \100 . The total profit to you is about \$180 minus whatever it costs you to copy and mail out the 4

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MLM MACHINE packages. Plus whatever you get from extra postage. Admittedly, you wouldn't get rich if that's all you do, but can you see where you probably could earn a few extra hundred dollars a month just doing this? What would happen if you hired a couple kids and circulated a few thousand? Well, you can make a little money just by doing this, but let me show you the easy way to make this a lot more lucrative for you.

3. **Sell Additional Reprintable Reports with the MLM MACHINE.** If you can afford it, consider buying several of the reprintable report sets that are described in the report, "Catalog of Quality Reprintable Reports." That way, you automatically will sell these reports to the people who buy the MLM MACHINE reports from you.

4. **Purchase and Resell the Mailorder Dealerships Offered.** Purchase and resell the Mailorder Dealerships described in our reports, "50 Cash Making Mailorder Dealerships Advertised FREE For You!" These dealerships introduce to you yet more ways to make money!

5. **Promote MLM Programs!** Here is how you can make the real, serious money. While you can earn some nice money fairly quickly promoting reprintable reports and other mailorder dealerships, this business does not self-perpetuate itself.

Your real purpose of selling reprintable reports and other mail order dealerships is to provide an excellent way to make money while you are building a large MLM organization. Just imagine having a MLM organization that pays you month after month while building you a secure lifetime income.

You can earn a lot of money with MLM programs if you can show your downline how to duplicate your methods. This is particularly true if you have a good duplicative way to generate leads. This is what this program is all about! A way to generate FREE leads and a method that is completely duplicative for the ordinary person. You will have to read the other reports in the MLM MACHINE series to appreciate what I am about to tell you, so listen carefully. If you sell only 10 MLM MACHINE sets, and if you participate in only one MLM program, it is very likely that you will sponsor 10 people in your MLM program! The reason for this is that the MLM MACHINES that you sell (with your advertisements in them), will be copied over and over again until your name is replaced with your customer's name! After you study our report, "How To Use Amazing CROSS POLLINATION Methods To Earn Up Front Cash While Building An Explosive, Infinitely DEEP Downline!," you will see why this is so.

For the moment just imagine that for each MLM MACHINE set of reports that you sell, you probably can sponsor one person into your selected MLM program.

Sign Up and Become a Consultant and Earn \$1,000's Each Month!

We list several MLM companies in our report, "30 Choice MLM Programs

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That Can Be Promoted FREE For You!” Let’s use one of these companies as an example. This example will give you a little appreciation of the true potential of MLM opportunities. In our example, you can become a distributor (called a consultant) in this program and then generate leads for it through the MLM MACHINE. In fact, the real purpose of the MLM MACHINE program is to help you and me to find qualified people who want to participate in MLM Programs such as in our example. Our example company has a wide range of consumer discount services, and as a subscriber in this company, you easily save hundreds of dollars each month on your ordinary purchases like groceries, automobiles, insurance, etc. As a consultant, you may sponsor other consultants and earn \$1,000’s each month!

This company we are describing is over seven years old and is debt free. They have been featured in publications like the Wall Street Journal, Success Magazine, Nation’s Business and the Robb Report. The services offered are sold by network marketing. Now, don’t throw your arms up in the air and think, “Is this one of those illegal pyramid schemes?” It is not! If you are familiar with Network Marketing, sometimes called Multilevel Marketing (MLM), you already know that Network Marketing is a \$40 billion industry that provides financial independence for thousands of independent agents and distributors. You are probably familiar with many of these giant companies like, Amway, Shaklee, Tupperware, Princess House - a subsidiary of Colgate Palmolive, Jafra Cosmetics - a subsidiary of the Gillette Company and Mary Kay Cosmetics. Even telecommunication companies like MCI and US Sprint have enticed millions of companies from AT&T through Network Marketing. If you have investigated MLM companies like I have done, you will find that there are now 100’s if not 1,000’s of MLM companies.

Network Marketing may represent one of the last true opportunities for the “little guy.” You can build an organization, called your downline, in which your earnings are multiplied by the efforts of people that you sponsor. In that way, your monthly income normally increases month after month.

As good as MLM opportunities sound, there are some pitfalls and problems. I think that participating in MLM companies is somewhat like playing the stock market. Now don’t get me wrong. There are some excellent “Blue Chip” MLM companies that have been in business for over 30 years and are very financially sound. However, there are others that are like “Penny Stocks” and are very risky. As is in the case of investing funds, you should diversify. Why put all your eggs into one basket? In other words, there are many advantages for you to be into more than one MLM company at the same time. We will explain more about this in our other reports in this series.

As with any business, you want to check out these MLM companies. The first thing that you want to look at is how long the company has been around and is

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it financially stable? Another is the product or service. Make sure that you find a good solid company that has a product or service that has universal appeal. In my opinion, the company should have been in business for at least two years. Preferably 5 years or more. That way, you can be reasonably assured that if you get involved, your income will continue year after year. The MLM companies that we have listed and recommended in the MLM MACHINE program have been carefully selected to maximize your profits while minimizing your risks. Also, they must be such that they can be effectively promoted by mail.

Another major problem with most all MLM companies is that you must sell. Now let's face it, most people just hate the idea of selling. I have been making my living selling over 30 years. And I still hate imposing upon people. To overcome this, MLM companies come up with all kinds of elaborate schemes to minimize this problem. The favorite and most popular method is to teach you how to "share" your product with friends and relatives. To me that's just another way of selling and I hate to impose on my friends and relatives! Another method is to teach you how to conduct "Opportunity Meetings" Yuck! Well, in the MLM MACHINE program, forget all those negatives. You don't have to sell! If you can simply pass out postcards, this plan will do the rest for you.

Now let's get back to our MLM company that offers a consumer discount program. The service is terrific and the typical consumer can actually save \$100's per month! But it does cost you something to subscribe ...specifically about \$49.00 per month. But hold on! Just think how much you can save and earn! Let me use their pay out plan to show you how you can earn serious money. Start with something simple. If you sponsor only 3 people, and they do the same for 3 levels, your earnings for this particular company per month add up like this:

Level 1 3 times \$3 ea. = \$9 per month

Level 2 9 times \$3 ea. = \$27 per month

Level 3 27 times \$23 ea. = \$621 per month

Total per month = \$657 per month Total per year = \$7,884 per year

With just 39 people in your "downline" you make \$657 per month! That's \$7,884 a year! In other words, if you sponsor only 3 people who do likewise, you will earn \$7,884 a year! Year after year!

Now let's look at something exciting. There is no guarantee that you can make a single red cent with this or any other plan. However, since the MLM MACHINE MAKES IT EASY TO SPONSOR 10 PEOPLE, let's see what you would earn in this example. You will see from the table below that if you can sponsor only 10 people who do likewise for three levels, you could earn over \$20,000 a month! I know at least one person in this particular program who earned \$20,000 after his first 3 months! Here is how that would look like in a table form.

Level 1 10 times \$3 ea. = \$30/month

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Level 2 100 times \$3 ea. = \$300/month

Level 3 1000 times \$23 ea = \$23,000/month

Total per month = \$23,330 per month Total per year= \$279,960 per year

So you see that by sponsoring 10 people who do likewise, you could earn \$279,960 a year! In just four years, you will have earned over \$1,000,000!!! That's like winning the lottery! Only this time, you are in control of the odds!

You Make Big Money on Your 3rd Level

Notice that in this particular MLM program, you start making the big money on your third level. This will play a key part for you on how to maximize your efforts and earnings with this program. Let me explain. Since you will earn a lot more money from the people that are at your third level, you want to concentrate on building your third level. To do this, you want to help the people that you person-ally sponsor. Therefore, instead of trying to sponsor 100's of people on your first level, think in terms of only a few, say 3 to 20. Set an objective in your mind that you think is reasonable. By "reasonable," I mean how many people can you support and help? As I will show you, the "key" to this program and all MLM programs is your ability to be able to help and support your downline. That is how you build your third level and start making the real money! Also, you will be shown how easy it is to earn extra money while helping your downline.

As mentioned, you stand to earn the large amounts when you build your organization deep because that's how your organization multiplies automatically! Depending upon the particular MLM company and their commission plan, you can maximize your earnings with as few as three to sometimes as high as fifteen. Also, some MLM companies go only three levels deep while others go down to 12 deep.

In our example MLM program, I believe that getting 10 people sponsored on your first level is a reasonable goal. Remember that if you can sell only 10 MLM MACHINE packages, you probably will sponsor 10 people. By reading the MLM MACHINE REPORTS, you are shown hundreds of ways that you can easily sell 10 MLM MACHINE packages. With the MLM MACHINE and a little effort, you probably will be able to sponsor 10 people. Don't you think so? And with only 10 people on your first level, you should be able to help them to get started. Couldn't you? Therefore, the following discussion is based upon you being able to sponsor 10 people.

Master These Techniques, and You can Vacation Anywhere!

Sponsor Exactly 10 People. No More. No Less! Here's Why!

Let's say you didn't read this plan, and that you are a "real go getter" and you concentrate on personally sponsoring as many people as you can. Lets say you personally sponsor 1,000 people! Oh sure. But let's continue on. In this case you would earn \$3 times 1,000 that equals \$3,000 a month. Now, let's face it. Un-

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less you are superman, you won't personally sponsor 1,000 people. Even if you could, your method is not duplicative! Just because you are a star salesman, that by no means implies that anyone in your downline could do what you would have done! Furthermore, you would not be able to support them, and therefore many of them would "die on the vine." So let's look at a more reasonable approach.

Let's say this time you concentrate on sponsoring only 10 people, and this time you are committed to HELP each of these people sponsor 10 others just like you have done. Now if you personally sponsored 10 people, and they do likewise, your third level would have $10 \times 10 \times 10 = 1,000$. Just like in the previous example above, but in this case you have 1,000 on your third level. Now on your third level, you earn $1,000 \times \$23 = \$23,000$ a month! Big difference, isn't it? And this is very possible for you! Now here lies the power in the MLM MACHINE and this moneymaking plan.

Sponsor Only 10 People

As shown above, if you can sponsor only 10 people, and they do likewise, you can earn a very nice income. Can't you? Therefore, the trick is to sponsor a few on your first level, say 10 people, and then HELP them sponsor their 10 people. So your first objective is to figure out how to find 10 people to sponsor. Only 10! As you read and study the hundreds of promotional methods that are explained in the MLM MACHINE reports, select the methods that you like and the ones that you will be comfortable with. Remember, your first task is to sell at least 10 MLM MACHINES that will probably help you to sponsor 10 people. Then and only then, should you then think about building a second organization starting with a second set of 10 people that you sponsor.

Now, let's assume that you have chosen to circulate a few postcards and mini-flyers. Assume further that you have sold a few MLM MACHINE PACKAGES. Let's further assume that you have now sponsored your 10 people into a particular MLM program of your choice. As explained in our report, "How to Use Amazing CROSS POLLINATION Methods to Earn Up Front Cash While Building an Explosive, Infinitely DEEP Downline!." you will find that if you sell only 10 MLM MACHINES, you can just about be guaranteed that you will sponsor 10 people. Although you can do this by mailorder, advertising, etc., you probably could do this locally with just postcards. That wouldn't be too hard would it? After you personally sponsor your 10 people, your job is now to HELP AND ASSIST your newly sponsored 10 people so they can expand their downline. How do you do this? Well, there are several easy ways to do this, and they are explained in detail in our other MLM MACHINE reports..But I will explain a little bit to you now.

MAKE MONEY HELPING OTHERS

1. Sell and Use This Plan!

First, all your newly sponsored people will have a copy of the MLM MA-

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CHINE reports that you are reading. Right? this automatically shows dozens of other ways to sell the MLM MACHINE such as how to circulate and mail postcards, sell reports by mail, etc. the MLM MACHINE will help your downline to develop their business and help them to sponsor new people. Just like you did! In other words, this MLM MACHINE plan is like a “built in” training manual. Follow it step by step and you will find that it works!

Help Your New People and Watch Your Organization Grow!

So your first goal in helping your new people is to make sure that they buy the complete set of reports contained in the MLM MACHINE series. Hey, if you make money doing it, I see nothing wrong with that! But if you make sure that all your downline people buy this plan, 90% of your “HELP” is given! Now, there are some other nice profitable ways you can also help as explained below.

2. Offer a \$23 Bonus!

If you have become a consultant in our example MLM company, you will have discovered a delightful surprise. You will get a one time \$23 bonus for each new person that you personally sponsor into the program. After you have sponsored your first level, pass this opportunity with your surplus leads on to your first level people. There is nothing quite like a good incentive to help your new people get motivated. This extra \$23 also can help your downline to help fund their promotion costs.

3. Sell your Leads to Your Downline!

Let me explain. If you have been promoting the MLM MACHINE, you will have generated a lot more leads than what you need to build your first level. That is, they are surplus leads. In our report, “How to Build Your Downline DEEP by Generating FREE Leads . . . and Selling your Literature!”, you will learn how to make money helping your downline.

4. Share your Success Methods!

Let’s assume that you have been promoting the MLM MACHINE by simply circulating postcards and you now have your 10 people sponsored. You have probably experimented with various ways shown in this plan, and you have now determined what literature rack locations and what methods are working you. Now is the time to help your newly sponsored downline! Explain to them and “share” with them what has worked for you and where good locations exist for placing postcards. Keep the ball rolling! You simply sit back and relax! Well, you will have to get up and go to your mailbox to pick your monthly checks! Can you handle that?

5. Make Money Advertising!

Let’s say you now have your 10 new people sponsored into this program, and you have a few extra bucks that you can spend for advertising. You can now help your downline and sell the leads that you have generated. I just don’t think

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there is any thing wrong with making money by helping others make money! Do you? In other reports, you will be shown how to advertise nationally to generate tons of leads. If you follow this plan, you can sell the MLM MACHINE and then sell your surplus leads to your downline. That way, you are constantly helping the people in your downline to expand their organization.

6. Also Sell Formal Training Programs!

Another Delightful Surprise! If you become a consultant in our example MLM program, you will be invited to purchase an extensive training program that will show you additional ways to promote their program. You will want to encourage your downline members to participate in this training program since it is excellent! Furthermore, you will earn extra money for promoting this training program as well.

SUMMARY

I have to tell you - I'm excited! In fact, I'm really excited! Why? I have a red-hot business opportunity for any red-blooded person that is sick and tired of simply making ends meet and is willing to do something about it. Now the fact that you took the time to write to me and have ordered this plan tells me you probably have the initiative to succeed. Given the RIGHT opportunity, you probably would jump on it - wouldn't you? I'd make a safe bet that you would. And I'll bet our Wealth Building Program is just what you need. Why? It's a PERFECT business for anyone, like yourself, that is determined to achieve total financial independence. But just what is a "Perfect Business?" Let me take a moment and list what I think an ideal "Perfect Business" should be.

Check out these Benefits for a Perfect Business!

You'll have fun making money! You'll find it's exciting! You'll find it's easy! You can start part time! You can work out of your home! You can set your own flexible hours! You can make cash immediately! Your earnings increase month by month! You can write off taxes! You offer a prestigious service! You have satisfied customers! You have no customer service problems! You stock no inventory! You have plenty of leisure time! Your residual income grows! You have unlimited earnings capabilities! You can build a national network from home! You save on your personal expenditures! You have training and support always available! You make money generating leads! The people you sponsor are automatically trained! You earn \$1,000's a month by sponsoring only 10 people! Your service is needed by everyone! No selling required! No meetings required! Your plan is easily duplicated by others! You can start on shoe string budget! You feel good helping others!

Now that's an impressive list - isn't it? And this is exactly what is being offered to you. Can you see now why I'm so excited? Just imagine what might happen to you if you get started now. You can build a National Network from

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home that will grow along with your income. What will you do with this extra money? Travel? New sports car? New clothes? New home? The kind of home that you've always wanted? Pay off all those nasty bills! How do you tell your boss that you quit? How do you explain to your friends your sudden success? And what do you do with all that leisure time?

Well, enough dreaming. These things are possible, but now it's up to you. You have to decide to what extent that you will participate in this program. Do you have what it takes? If you are in a rut working for someone else, will you just stay there? Or are you one of the few that will seize this opportunity and run with it? This may be one of the most important decisions in your life. don't let this one slip away!

If you have not ordered the MLM MACHINE set of reports, why not order today while it is still fresh on your mind. If you have the MLM MACHINE reports, study them over and send for more information on the other opportunities that you think you might like to promote. Act now and build your lifetime secure income!

The Best 50 Cash Making Mail Order Dealerships

Check out these exciting mail order dealerships!

This report, "The Best 50 Cash Making Mail Order Dealerships" is one of fifteen reports contained in the set of reports, "How To Build A Lean, Mean MLM MACHINE . . .By Mail!" series. If you have not ordered the complete set, I strongly urge you to do so now so you can take full advantage of this program.

In this report, you will find descriptions of many mailorder dealerships that you can buy and promote with a handsome profit. There is no inventory required. Most dealerships listed are such that you can purchase the program and resell it to others. If you "buy into" any of these dealerships, or if you are already participating in them, you may replace your name with the existing source before making copies of this report. That way, your offer with your name will be copied over and over again as this report is circulated to others that you have sold it to.

Most of these dealerships offer additional opportunities for you such as selling books, name lists, etc. Therefore, you will have the opportunity to learn the mail order business while earning a profit... and generating FREE MLM leads!

To make it easy for you and your customers, you will find at the end of this report an offer to buy a set of 8 1/2" x 11" circulars that describe these programs in detail for only \$10.00. This packet of information will be sent with NO SOURCE names! Therefore, the person receiving this packet will be instructed to purchase from the person that is listed in this directory. Therefore, if you are promoting any of these programs, the orders from your customers that have bought the MLM MACHINE will go to you! And, this "circular set" is sold with reprintable rights, so

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you can resell this set of circulars with a nice profit.

Videx is not the prime source for any of these dealerships. Therefore, Videx is not responsible for the integrity of these companies. However, Videx has made a concerted effort to sift through 100's of dealerships in order to find the best programs suited for you to participate in. You will find a brief description of these dealerships listed in this report. If you want more information for a specific dealership offering, send a SASE (self addressed stamped envelope) plus one loose stamp along with a copy of the description in this report to the person's name indicated. If you are requesting details for more than one company from the same "source", only one SASE is necessary, but send one loose stamp for each offering. You will notice that the "source names" are conveniently typed for you so you can simply copy them and cut them out as address labels. You can then just "scotch tape" them to your mailing envelope.

Although there are hundreds of mail order dealerships available, Videx is listing only those that meet our minimal standard. Further, Videx has selected nineteen (19) of these that meet our "Highly Recommended Status." If you are just starting out, these "CHOICE 13" not only meet our standards, but they also will help you in starting your mail order business. In that regard, you will notice in the recommended list, you have dealerships that offer the basic essentials including quality names, discount advertising, discount book programs and memberships.

If you like, you may purchase additional mailorder dealerships in addition to the recommended list and promote these also through this report by simply "rubber stamping" or replacing your name where the existing name is. Also, there is additional space in this report for you to add your own offers if they are different from those listed as well as the ones Videx lists. However, although you may add your own offering, it is mandatory that you retain the original listings. You may, however, include your own circulars when you fill orders with this report.

THESE FIRST 19 ARE "HIGHLY RECOMMENDED MAILORDER DEALERSHIPS"

1. Sell books, manuals & reports, new release program. Keep \$20.00 profit on every \$25.00 order! With this program, you can start and operate your own thriving mail order "information" business on literally a "shoestring." Selling the RIGHT TYPE of "information" is practically a DEPRESSION PROOF business ... at any time, and you will be shown how to sell all type of in-demand reports, books, manuals, courses, etc.

This dealership mailorder program provides a complete dealership and a master dealership with many outstanding benefits! You may become a distributor in this program for only \$25.00 or send a SASE + 1 loose stamp for complete details to: Videx Box 1664 Stow, Ohio 44224

2. Totally Awesome Typesetting & Ad Design Plus Dealership! Earn 50 %

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on ads & \$10.00 on brokerships! For details and circular, send SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

3. Join the International Mail Dealers' Council. Join the I.M.D.C. now for only \$30.00 and you will receive "The Beginner's Mail Order Kit" valued at \$15.00. You get 12 benefits by joining this council plus you earn \$10.00 for each member you recruit! Send SASE plus one loose stamp for details to: Videx Box 1664 Stow, Ohio 44224

4. Sell High Quality Mailing Lists. These are high quality peel and stick labels you can use for yourself or sell to others. Unlike lists offered by some other companies, these names are updated regularly. Postal Service's National Change of Address file and a national database are used to keep name lists clean. They will replace each undeliverable with 10 fresh names! Choose from many categories such as Opportunity Seekers, Buyer Names, Financial Names and Multi-level Names. Prices are very competitive such as 1,000 names for only \$50.00. Dealers may rent these names to others for use for personal use at 50% of normal list price. Bonus: Receive \$10.00 for registering new dealers! Send SASE plus one loose stamp for circular to: Videx Box 1664 Stow, Ohio 44224

5. Join the U.S. Team . . . A Discount Advertising Program for over 80 Mail Order and MLM Publications. For only \$50.00, you can now reach approximately 500,000 potential customers at a 40% discount! This well established ad agency will place your ads at 40% discount, and you can promote this program and earn \$30.00 for each new member you recruit! Send SASE plus one loose stamp for details to: Videx Box 1664 Stow, Ohio 44224

6. How to Become Wealthy as a Circular Mailer. This publication describes many ways of making money from home by mailing circulars based on the publishers many years of experience. A dealership offer for promoting this program is also offered. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

7. The Direct Mail Order Association. Many services, benefits ad discounts are available to you when you join this association for a small annual fee. Commissions can also be earned when you sign up a new member. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

8. Subscribe to Mail Order Dynamite. Here is an excellent mail order publication dealership that pays you like a MLM company for 4 levels! Save on advertising while you earn big profits recruiting new subscribers! For details send SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

9. Big Money can Make you Happy. Earn up to 100% commission mailing circulars. This program offers six circular mailing offers with huge commissions. There is nothing to stock or ship - just forward the orders for shipping. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

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10. Strike it Rich with the "Franklin Income Program." Become an authorized dealer for the "Franklin Income Program." You will receive circulars for mail order programs and have your orders drop shipped for you. There is no product to stock or ship! Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

11. A Stamp Generating Dealership. Cash . . . Stamps. . . FREE Kodak Film! With this offer you will receive a camera ready copy and reprint rights to the circular. A coupon book for Kodak film, first class postage stamps and commission will be yours. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

12. American Mail Marketing Opportunities Magazine. Earn \$50.00 FREE advertising. When you subscribe to this magazine you will receive \$50.00 worth of free advertising as well as authorization to promote the magazine allowing you to earn commission on every subscription you sell. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

13. Make Money with Gumball! The Gumball Express, a large tabloid mail order publication wants your advertising business and will help you earn money while advertising your business opportunity. You receive a full one year subscription plus advertising discounts! Plus, you may become a dealer AND a distributor and earn large profits! For details, send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

14. Get Top Quality Advertising Plus Cash with this "Ben Frank's " Almanac Dealership! This fine color tabloid offers a dealership and distributorship with typesetting and advertising opportunities! Send SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

15. "Things I wish Mother Had Told Me (before I got started in mail order) If you act right now, you will get a Dealer's Profit Pack and authorization to sell this book and how to earn \$10.00 commissions! Send SASE + one loose stamp to: Videx Box 1664 Stow, Ohio 44224

16. Mail King Plan. Get free mailing lists, stamps and money. Earn money, stamps and cash by promoting this dealership package. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

17. Mail-Courier Express. When you subscribe to Mail-Courier Express some of the benefits you receive are 6 issues of the magazine, discount on advertising, a discount on typesetting and much more including a dealership offer. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

18. Entrepreneur's SUPER JACKPOT! This dealership will pay you weekly for promoting Entrepreneur Digest. Excellent Product! Low cost, only \$20.00! Send SASE for details to: Videx Box 1664 Stow, Ohio 44224

19. Illustrated Adsheets Directory. This offer is for publishers of adsheets,

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tabloids, etc...A dealership plan is included. Send a SASE plus one loose stamp to: Videx Box 1664 Stow, Ohio 44224

Check Out These Other Exciting Mail Order Dealership Programs

20. M.O.R.E. Directory. (Mail Order Related Entrepreneurs Directory) Get your name listed in this directory for a full year and you can advertise and sell this directory. For details, send SASE and one loose stamp to: Shooting Star Publications P.O. Box 51007 Indian Orchard, Ma 01151

21. W.I.N. - Wealth Information Network! Join the WIN program and receive six super mail order benefits including dealership for this program. Send SASE plus one loose stamp for circular and details to: Jobs P.O. Box 12417 Las Vegas, Nv 89112

22. Thinking of Publishing an Adsheets? Adsheets design service and dealership. For details, send SASE plus one loose stamp to: George Norr P.O. Box 70268 Salt Lake City, Ut 84170

23. Income Opportunity Seekers Mailing Lists. Current mail order name lists with a guaranteed cash refund for undeliverable names. Three sets of aged names are available (guarantee changes with the age of the names.) These names are of people who have expressed interest in an income opportunity offer. Send SASE plus one loose stamp to: Perfect Mailing List Co. P.O. Box 1974 Memphis, Tn 38101

24. The Work-At-Home Sources Directory. Now you can find profitable work at home. New directory lists many types of home operated businesses available today. Many illustrations. There also is a dealership program with this offer. Send a SASE plus one loose stamp to: Stevem Milot 241 Main St. Fern Glen, Pa 18241

25. Home Mailers Needed Immediately. This company states, "We pay up To \$978.00 per week! Your part is simple. You simply stuff envelopes, seal them, and apply address labels and postage stamps. For details, send a SASE plus one loose stamp to: Wilson Stone 24843 Del Prado, Suite 324 Dana Point, Ca 92629

26. You're Invited to Join a Printing Club! Join this printing club and you will not only get a 20% discount on your printing, but you will also earn a \$10.00 credit coupon for each new member that you recruit. And there's more! For complete details, send a SASE plus one loose stamp to: Chuck Rollason 63 Main St Dallaston, Pa 17313

27. Keep \$6.00 on Every \$8.00 Order! You will get a copy of the publication, "How To parlay Any Multi-Level Program Into A Million Or More!" Send only \$8.00 for your copy, or send SASE for circular to: Dale Advertising, Inc. P.O. Drawer 279 Grover, NC 28073

28. Jetstream Express. Earn \$25.00 cash commission for each and every copy you sell of our special report, "How To Win In Today's MLM." For details, send SASE + one loose stamp to: Jetstream Express 8417 Oswego Road, Suite 182

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Baldwinville, NY 13027

29. **The Classified Connection.** Multi-level Marketing's Most Profitable, Most Professional Monthly Publication! How to earn \$600.00 cash commission with only 3 subscribers! Send a SASE plus one loose stamp to: Catallina Publishing Corp. P.O. Box 4595 Ithaca, NY 14852

30. **Free Advertising For Life.** This program will print your ad at very reasonable prices in a quality publication for opportunity seekers with a circulation of 5,000. When you place your ad you are automatically given an ID number to promote the plan and earn free advertising. Send a SASE and one loose stamp to: GAP Services P.O. Box 79428 N. Dartmouth, Ma 02747

31. **Gwen's Consolidated Mail.** New 80% Commission Dealership Opportunity. Low advertising rates plus commission. Send a SASE and one loose stamp to: Gwen Franklin 3316 Kingsbridge Drive Plano, Tx 75075

32. **World Business Ad Club.** When you purchase a life time membership you also receive a free display and a free classified ad, 20% discount on your ads, a commission on ads you sell and place for others plus much more. Send a SASE and one loose stamp to: Globeco Publishing Co. 1408 Baylis St. Duluth, Mn 55811

33. **How To Write Headlines That Pull.** Dealers Wanted! Keep all the money on the 8 page booklet. Send a SASE and one loose stamp to: William H. Fordham 146-15 133rd Ave. Jamaica, NY 11436

34. **A Program For The Little Guys And Gals!** The world's greatest anti-poverty project. Memberships available. Send SASE plus one loose stamp to: C.R. Johnson 3322 Kelox Road Baltimore, Md 21207

35. **Let's Make Some Money** program. Home operated business offer with company backing including an easy to read manual. Send a SASE and one loose stamp to: David Dye Box 1002 Battle Creek, Mi 49016

36. **Daily Cash Mailing Program.** Several circular offers are included in this program where you mail out the circulars for cash. Send a SASE and one loose stamp to: Independent Business Systems P.O. Box 597 Kenansville, NC 28349

37. **Future Success Today.** This program provides you with all the things you need to start a mail order business. Some of the things included are commissions for every sale, postage stamp commissions as well as \$ commissions, your ad printed and mailed to over 2,500 and more. Send a SASE and one loose stamp to: F.S.T. P.O. Box 1188 Fremont, Oh 43420

38. **150 Firms That Pay You To Work At Home.** This company has selected the 150 best companies to work at home for enabling you to make extra or full income. Send a SASE plus one loose stamp to: Fun Mates Press P.O. Box 426466 San Francisco, Ca 94142

39. **Once A Month Association.** Now, you can have an excellent source of income! . . .with dynamic growth potential! You will receive \$10 for everyone that

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you sponsor! For details, send a SASE plus one loose stamp to: Steve Milot 241 Main Street Fern Glen, Pa 18241

40. Sell Mailing Lists. These mailing lists are current mail order and MLM prospects. A dealership offer is included. Send a SASE plus one loose stamp to: TNT Books P.O. Box 681519 Miami, Fl 33168

41. InterNAPMOD. Earn commissions for every new member you get plus you get a commission on their renewal and more when you become a registered member. Send a SASE plus one loose stamp to: InterNAPMOD 12 Westerville Square Westerville, Oh 43081

42. Mail Order Mania Club. Sell Commission Circulars. Everything is handled for you by M.O.M. A newsletter is published periodically. Send a SASE plus one loose stamp to: M.O.M. Club P.O. Box 1188 Fremont, Oh 43420

43. Earn \$500 Per Page With Your Adsheet. 100% commission dealership! Dealerships now available! For more details, send SASE and one loose stamp to: Adman 6460-65 Convoy Court San Diego, Ca 92117-2312

44. Join the Mailorder IBM Compatible Computer User Group! You will receive 8 big benefits including an exclusive commission dealership earning \$10.00 for each new member that you recruit! For details send SASE plus one loose stamp to: Topscore Software 80 Seward #C-2 Detroit, Mi 48202

45. Dealership For Opportunity Mailing Lists. Earn 50% commission for quality mailing lists! This company can supply 5,000 fresh names per month. For details send SASE plus one loose stamp to: Paul Wilson P.O. Box 26418 Tamarac, Fl 33320

46. Hop Aboard the Money Express! This unique program is selling a book titled, "101 Money Making Secrets" and you get paid four levels deep although this is not a MLM program. For more details, send SASE plus one loose stamp to: Fast Start Team Box 70268 Salt Lake City, Ut 84170

47. Big Mails = Big Money! Get paid \$9.95 for each big mail you send! Dealerships benefits for you to earn 100% on each new dealer that you recruit! For details, send SASE plus one loose stamp to: Beverly A. Smith 537 W. Hopocan Avenue Barberton, Oh 44203

48. "NO FAIL" Stamp Program. Now get thousands of first-class stamps FREE! Send SASE and one loose stamp for circular and details. Networking Exchange P.O. Box 205 Columbus, Oh 43216-2905

49. Join North American Book Dealers Exchange! If you would like to sell or publish books, this 11 year old company has a unique program you can't refuse. Here are just some of the benefits you will receive as a N.A.B.E. member.

1. A Two year subscription to "Book Dealers World" which is a magazine

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for publishers and mail order book sellers. 2. FREE copy of the BOOK DEALER'S DROPSHIP DIRECTORY, plus dropship and wholesale dealer information. 3. Several advertising savings and discounts in the Book Dealers World magazine. 4. Recruit other members to join N.A.B.A. and keep 50% profit for yourself.

For more information, send a SASE plus one loose stamp to: North American Bookdealers Exchange P.O. Box 606 Cottage Grove, Or 97424

50. This Pays 100%! You will receive 4 of the best 50% commission, camera ready 8 1/2" x 11" dealerships in mailorder. Send \$5.00 plus three loose stamps to: Thad Gajda Box 46247 Bedford, Oh 44146

The Truth About Multi-Level Marketing Programs

Multi-level marketing is a fancy name currently being used by some companies in an effort to do two things:

The first objective is to move products from their warehouses, and thus increase their sales volume. The second objective is to recruit "an army" of commission-only sales people.

Make no mistake about it! After you've stripped all the hoopla away from these "super money-making opportunities", the bottom line remains the same - you make money from commissions allowed from the sale of products.

Generally speaking, very few people have any "real" sales experience, and thus, if offered the opportunity to take a job as a commission-only sales person, they'd run from it like the devil.

At the same time, most commission-only sales positions are "direct selling" opportunities. And, the definition of direct selling begins with an explanation of what a door-to-door sales person does.

Don't get me wrong. A lot of personal fortunes have been amassed by commission-only sales people. For sure, when you attempt to sell by mail, you're almost always involved in commission selling and direct selling.

What I'm saying is that most people are "duped" into joining multi-level marketing programs without understanding that it is commission sales and at least a form of door-to-door selling.

Worse than "duping" you into joining their programs... many so-called multi-level marketing companies subtly encourage you to break the law, and run the risk of huge monetary fines, long terms in prison, or both! This is done by at least, "inferring" that if you will find a number of people to duplicate what you're doing, and in turn encourage each new enrolled to keep the system going, everybody will get rich!

Not so, my friend! That's a "Ponzi Scheme", and if you don't really understand what a Ponzi Scheme is - allow me a moment to explain. Such a scheme is

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any kind of money-making opportunity where you get paid by recruiting, enlisting, or soliciting other people to follow your lead and continue a chain of events. In other words, you'll be paid a commission from the people you recruit - (1) from the people they recruit (2) from the people they recruit (3) and into infinity.

This is the "secret" impact that most multi-level marketing companies use to induce you to buy into their program. Such practices are illegal, and subject to federal laws which could destroy you. So called, bi-level marketing plans are the same thing, as chain letters, and people helping people clubs. They're based upon the Ponzi Scheme. If you have any doubts, take your money-making opportunity and sit down with your local postmaster and discuss its legality.

These things are illegal because if - as in a dream world - they really worked, by the time one person had attained level number five, he would have "signed" everybody on earth with only the first two levels receiving any of the money. There would be nobody left for the third, fourth and fifth levels to sell to.

Multi-level marketing companies get around the law by stating within their by-laws that it is strictly forbidden to promote or attempt to sell the program by mail. Then, when the postal inspectors come calling on the little guy, the MLM company says: "He did it - we don't do such things - here, look at our by-laws".

The bottom line is as old as the hills: you can do anything you want - legal or illegal - so long as you don't get caught - but when you do get caught, you'd better be prepared to pay the price.

Besides the terrible mess multi-level marketing has gotten a lot of normally law-abiding and moral people into, it has "foisted" upon these people personality changes that many of them do not like.

To make any money selling a product or service on a commission-only basis, you have to have the ability to sell like the proverbial "used car salesman". It's all hard sell, and more often than not, involves "forcing" the prospect to buy whether its good for him or not.

Anyone who has ever attempted to succeed in commission sales, knows that it takes a product in great demand - a great deal of sales calls, advertising and persistence, and a little bit of failure and a tremendous amount of "total business moxie" to make any money at it.

There's nothing wrong with commission selling - and if you're good at it, you can make a lot of money in this kind of selling. But remember that multi-level marketing is commission selling, the way "distributors" are recruited is very illegal, with the authorities closing down more MLM companies everyday - and it takes a special kind of person, with the right kind of personality to succeed at it.

How To Parlay Any Multilevel Program Into Real Riches

Multi-level Marketing companies abound by the thousands. A great many well-known economists are predicting this form of selling to become the prevail-

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ing method of selling by the turn of the century.

A lot of people have joined multi-level marketing programs and have made a fortune from their efforts. Anybody with just a smattering of ambition and energy can still join up and attain financial freedom.

However, unless you know what you're doing and how to do it, you'll probably never make much more than your expenses.

First off, be sure of the MLM company you hook up with - make sure it's all it claims to be, and that it will not only make regular payments to you, but that it will ship the merchandise to your customers and is going to be around for years to come.

Secondly, be sure that the product you're promoting has a mass appeal - does it sell itself and will people stand in line to buy it? A lot of well-meaning advertising writers advise you to select a product, devise a selling plan and then to work your plan - but, this will only put you into the shoes of an Eight-Days-A-Week Sales Person.

The one product that sells itself, and for which people the world over will stand in line for, is "How-To Information" that explains to people wanting to get rich, how to get rich.

Thirdly, make sure the program you decide upon can be adapted to sales by mail. Believe me, selling by mail is the least expensive and most efficient method of selling there is.

Look at all the ads in the trade papers and magazines. All those trying to sell multi-level programs - what are they missing? Can you adopt your program to "have to have" advertising?

Amway could go with a direct mail circular starting out with something like: Get paid for cleaning your home!

Yurika Foods could go with a circular like: Receive a 25 cent rebate for every dollar you spend on food!

What I'm advocating is that you make up a direct mail circular to pull in new prospects. We've used such a circular for 3 different MLM programs; We sent out 10,000 circulars asking for \$2 for further details of our program, and in each instance, we pulled in more than 4,000 first line distributors.

Get yourself a mailing list of 10,000 or more opportunity seekers; make up an advertising circular that whets the appetite of the recipients, then get these circulars into the mail. When the orders for more information come in, send them a sales letter along with your program join-up brochure.

You can have thousands of these brochures printed and mailed to everyone in your area - even to names from the phone book. Or to people all across the country. But to be really effective and bring back a profit for you, you should have

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a complete mailing package.

In other words, your MLM Advertising Circular asking for \$2 in exchange for further information about the best MLM Program yet devised can be your door opener -then, you should include other things that should also interest the prospect. In other words, not just a single sheet of paper.

Our own direct mail package usually includes our current MLM Advertising Circular, then our current special of the month: sometimes mailing lists at greatly reduced prices or a special book and then a listing of our How-To Informational Reports.

We figure that with this direct mail package, if they - the recipient - doesn't want one thing, he'll want the other. In a great many cases, we get orders for the whole package which sometimes runs to several hundred dollars. The thing is, we've been very successful with this mailing package, most of the time pulling in better than 10% orders per thousand packages mailed out. And, our MLM conversion rate - people who send in \$2 for further information on our MLM Program and then end up joining the program under our sponsorship has been running better than 30 percent!

How To Parlay Any Multi-Level Program Into Real Riches. Start with a good product (How To Make A Real Profit With A Current Sparetime Project). Make up a direct mail advertising circular, send it out to everybody in the country with a complete direct mail package; and you'll be home free! I know I've done it with three different MultiLevel Programs!

How To Choose A Winning Multi-Level Program

The idea of using a multi-level marketing program to produce extra income - to attain financial freedom - has taken North America by storm! More and more people from north to south, and from east to west are looking around, and attempting to find a real winner.

The problem is, multi-level marketing companies are sprouting up all over the place, and there's just too many of them to keep up with, for the average extra-income opportunity seeker. This makes the choice of the best one or ones to "hook up with" a frustrating and time-consuming process.

Before you "hook up with" any multi-level company, we advise you to run through this check list:

THINK ABOUT THE PRODUCT. Is it a product that you would use regularly, and freely recommend to your friends? Is it lower priced, more convenient to use than similar products available elsewhere, particularly at the stores in your area? And finally, what about delivery—how much of a time interval is involved from when your customer orders until he receives the product?

FIND OUT AS MUCH ABOUT THE OPERATION AS YOU POSSIBLY CAN. Be-

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ware of chain letters, pyramid scams, and exorbitant claims relative to distributor profits. Be sure to find out exactly what you'll be getting in return for your initial sign up fee. Make sure the company provides you with professional sales aid materials, and that they're reasonably priced.

Many MLM companies rake in tremendous profits just selling brochures and/or other sales literature. Check with your local printing outlets and determine your actual cost.

Find out about the company's financial backing and corporate officers. Are they "pushing" this program as an extra-income project of their own, or are they in it as full time professional sales people? Be sure to understand/know how the company keeps track of all incoming orders and when, as well as how you'll be paid.

In essence, before deciding to become involved with a multi-level marketing company and expect to make a profit, it is essential that you understand:

IT IS A SELLING PROPOSITION. YOU MAY BE REQUIRED TO DO AT LEAST SOME FACE-TO-FACE SELLING - AND IT WILL REQUIRE A LOT OF YOUR TIME.

You must have a product line that appeals to most people. In other words, information or program/help that will enable people to fulfill their basic wants such as becoming rich!

Selling vitamins, wrinkle creams, even food, will NOT fulfill those needs because of the intense competition. But, appealing to those people who are already selling a product with a sales improvement or training program can make you rich.

In addition to understanding what's involved, and a product line that most people want, and will buy from you, you need assistance - instructions and help in not only selling the product or products, but in how to find new customers on an ongoing basis.

Once you've decided to try your hand at multi-level marketing, and you've become affiliated with a company that has a product line you feel will appeal to most people, and you have your advertising/sales materials, the next thing is to determine how YOU want to sell it. Will you be selling door-to-door, via home parties, public seminars, by mail, or a combination of all these methods?

Remember, the amount of time you spend in actually trying to sell the product will determine the amount of money you make. The more presentations or sales calls you make, the more money you're going to make.

But unless you make those sales calls, you won't be making any money.

It's up to you to decide just how much time you'll spend with your extra-income producing project.

Picking a winning multi-level company can be exasperating because there

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are so many to choose from, but the ordeal can be a lot more profitable if you'll just ask yourself the question we've outlined for you in this report.

Companies Offering Direct Sales & Network Marketing Opportunities (Write First)

1. Avon Products, 9 W 57th St., New York, NY 10019 (Beauty and personal care products)
2. Discovery Toys, 2530 Arnold Dr #400, Martinez, CA 94553 (Educational books, games and toys)
3. First Fitness Int'l Inc, 15944 Midway Rd., Dallas, TX 75244 (Beauty and health related products)
4. For You Inc., 4235 Main St., POB 1216, Loris, SC 29669 (Personal care products)
5. Usborne Books At Home, 10302 E 55th Pl, Tulsa, OK 74146 (Children's books)
6. Herbalife, PO Box 80210 Los Angeles, CA 90301 (Health related/skin and hair products)
7. L'Arôme, 456 Lakeshore Pkwy, Rockhill, SC 29730 (Skin-care/health related products/fragrances)
8. Light Force, 1115 Thompson Ave #5, Santa Cruz, CA 95062 (Nutritional products)
9. Melaleuca Inc., 3910 S Yellowstone, Idaho Falls, ID 83402 (Nutritional/personal and home care products)
10. The Nanci Corp, 7633 E 63rd Pl, Tulsa, OK 74133 (Nutritional Supplements)
11. Noevir Inc., 1095 SE Main St., Irvine, CA 92714 (Personal care products)
12. NonPerre, 4879 E La Palma Ave #206, Anaheim Hills, CA 92807 (Nutritional supplements, skin/body/hair care products)
13. NuSkin International, 1 Provo Ctr, Provo, UT 84606 (Cosmetics & health care products)
14. Omnitrition, 1620 Rafe St #108 Carrollton, TX 75006 (Nutritional products)
15. Oriflame Corp, 76 Treble Cove Rd, No Billerica, MA 01862 (Cosmetics, fragrances, skin care products)
16. Rexall Showcase International, 6600 N Andrews #401 Ft Lauderdale, FL 33309 (Nutritional products)
17. United Dental Plan of America Inc., 535 Braodhollow Rd, Melville, NY 11747 (Dental care plans)

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18. Viva America Marketing Inc., 1239 Victoria St., Costa Mesa, CA 92627 (Beauty, health and vitamin products)
19. We Care Distributors Inc., 10701 A South Commerce, Charlotte, NC 28273 (Skin and personal care products)
20. The Fuller Brush Co., 3065 Center Green Dr, Boulder, CO 80301 (Household cleaning products)
21. Rexair, 3221 W Big Beaver Rd #200, Troy, MI 48084 (Vacuum cleaners)
22. Financial Success Institute, PO Box 1106 Cary, NC 27512 (Personal financial/improvement products and services)
23. Personal Wealth Systems, 8535-25 Bay Meadows Rd., Jacksonville, FL 32256 (Financial & personal development products)
24. Atnway Corp, 7575 Fulton St East, Ada, MI 49355 (Cosmetics and skin care products)
25. Mary Kay Cosmetics, 8787 Stemmons Frwy, Dallas, TX 75247 (Cosmetics and skin care products)
26. Nature's Sunshine Products, 75 E 1700 South Provo, UT 84605 (Herbs, vitamins and personal care products)
27. SASCO, 2300 Valley View Ln #230, Farmers Branch, TX 75234 (Cosmetics, skin and health related products)
28. Artistic Impressions, 240 Cortland Ave, Lombard, IL 60148 (Decorative art)
29. Shaklee Corp, 444 Market St., San Francisco, CA 94111 (Skin care/food/cleaning/nutritional products:)
30. Watkins, Inc., 150 Liverty St, Winomna, MN 55987 (Food and health related products)
31. House of Lloyd, Inc., 11901 Granview Rd, Grandview, MO 64030 (Kitchen related products, gifts, Christmas decorations)
32. Golden Pride-Rawleigh, Inc, 1501 Northpoint Pkwy #100, W Palm Beach, FL 33407 (Health care/nutritional supplements/pet supplies)
33. Envrio-Tech International, 6600 W Charleston #125, Las Vegas NV 89102 (Water-free car wash/protective sealant)
34. Natural World, Inc, 652 Glenbrook Rd, Stamford, CT 07906 (Household/personal products environment friendly)
35. Jeunique International, Inc, 19501 E Walnut Dr, City Of Industry, CA 91749 (Cosmetics/nutritional products/lingerie)

* Some companies listed in this report may have changed their addresses or discontinued operations. Always write "ADDRESS CORRECTION REQUESTED" on your envelope. Each name and address is accurate at the time listing went to press.

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How To Make Money With Postcards

If You Can Pass Out Postcards, This Program Can Work For You!

How Can You Make Money With Postcards?

Let me get straight to the point. If you were to purchase the MLM MACHINE, which is a set of 15 reports, you would be authorized to reprint the MLM machine reports and resell them. You become the publisher! You can reproduce them for pennies and sell them for \$25 a set. Within the MLM MACHINE reports #11, #12, and #13 provide descriptions of more moneymaking opportunities for you. They include 15 sets of reprintable reports like this one, 50 mailorder dealerships that you can buy and resell, and 30 "choice" MLM programs that you can participate in. If you partake in any of these offerings, your name replaces the existing one. That way, when you sell a MLM MACHINE set of reports, your offer is automatically being copied and distributed by others.

If you purchase only the MLM MACHINE reports, you are not obligated in any way to "buy into" any of the additional offers. Either way, if you have purchased only the MLM MACHINE, you can start immediately to earn extra cash by simply circulating postcards and then filling your orders by copying this report. When you get an order for this report, you then include a copy of the MLM MACHINE flyer, and in that way you can get repeat \$25.00 orders for the entire set of MLM MACHINE. you can earn a few extra hundred dollars doing this, but you can earn considerably more from the other programs that will be automatically promoted for you via the MLM MACHINE reports. If you "buy into" and promote just the reprintable reports and the mailorder dealerships, you can build a very nice mailorder business.

However, the big money maker in this program is the ability of the MLM MACHINE to promote Multilevel Marketing (MLM) programs for you automatically. If you are not familiar with MLM, that is alright since this will be explained in detail to you in other reports contained in the MLM MACHINE reports. For now, just understand that you can earn several thousand dollars a month (like \$20,000) by actively participating in MLM programs. The real "back bone" purpose of this program is to help you generate MLM leads while you make a profit selling the other mailorder type programs. That is, the MLM MACHINE reports have been written and designed specifically to help you expand your existing MLM organization or to launch new ones.

You will learn in other MLM MACHINE reports that if you sell 10 MLM MACHINE packages, and if you are promoting just one MLM program, you will most likely sponsor at least 10 people into your MLM program. The basic reason for this is that your MLM offer will now be embedded into the MLM MACHINE, and it will be copied over and over again until 10 people replace your name with theirs.

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If you have 10 people in your MLM program who do likewise, you can generally earn a sizable monthly income. Therefore, when you are studying the remaining portion of this report, try to determine in your mind if you think you could sell 10 MLM MACHINES by using the postcard promotion methods explained. If you can, and if you are promoting at least one MLM program, you will most likely build a lifetime, secure future! It's as simple as that!

Why Use a Postcard?

If you have an offer to make to the public, a postcard is very often the simplest, fastest and most inexpensive way to get your message out to the public. Anyone can circulate postcards. Can't they? That means that kids and teenagers can help out in many ways. This report is dedicated to the ways that you can circulate postcards locally postage free. Another advantage of using a postcard is that you can use the copy of a postcard to print small flyers. In that way, you can print these "mini-flyers" for a fraction of a penny, while postcards will cost you about 1 to 3.5 cents each, depending upon the quality that you have printed. Shopping and Business areas are perfect places to Circulate Postcards!

If you are promoting a MLM company, the "power" of generating quality leads by circulating postcards locally is extremely effective; if you have a good offer. And you do! You also earn a profit while you are generating these leads!

How to Make Money Immediately with Postcards

Probably the most important aspect of using a postcard is that you can easily sell a \$2.00 report directly! In other words, if you are offering an inexpensive item, like a report, you can generate orders simply by circulating postcards or mini-flyers. If you purchase the complete set of MLM MACHINE reports, you will be authorized to reproduce them and sell them! Therefore, you can circulate postcards immediately, receive orders directly, and then fill your orders yourself. You keep the money up front. Most often, you will then want to sell additional items to your customers that buy your \$2.00 report. That's how you can earn substantial more profits. By using this method, you are earning a small profit while you are generating larger profits from repeat business. If you promote MLM program(s), you can then earn serious income.

Compare that method to companies that mail out postcards that offer free material. They spend a lot of money up front on postage, and a lot more in sending out the free material. You can spend a lot of money and time by doing that. By using our plan, you can actually make money up front while generating leads for other offers that you may be making. Within the MLM machine package you will find many other programs that you can sell and you can start by simply circulating postcards and "mini-flyers." This is just an excellent way for you to make a little up front money while generating free MLM leads. The easiest and fastest way to make money with postcards and "mini-flyers" is to circulate them in your

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local neighborhood. If you elect to offer the programs that we describe in the MLM MACHINE, and this is strictly optional, you can build a very serious income.

Why Circulating Postcards Locally Can Be the Best!

If you happen to be offering a product or service that is also available from other companies, it is sometimes difficult to promote this nationally because you might be competing with many other people. This happens all the time in the mailorder business and for distributors promoting MLM programs. If these people advertise, they may very likely be competing with several other companies that are advertising in the same publication . . . with the very same advertisement! the same risk is true if mass mailings are attempted. In this case, several companies wind up sending their identical literature to the same person! I bet you have received several offers that were identical from different companies. Haven't you? Therefore, when you are first starting out, you stand to have a better chance to succeed if you do it locally. That way, your offer will be seen by eager people who have not seen a similar offer. Also, if you are promoting a MLM program, you will learn that you only need to sponsor a few active people, and then show these people how to dolikewise.

Although the MLM MACHINE will show you many ways to promote our program, there is no doubt in my mind that the very best and most effective way to get started is to simply pass out a few postcards and mini-flyers in your local area. For example, let's consider MLM programs that you may want to promote. If your objective is to sponsor 10 people into this program as quickly as you can, and do it without much time or money, start locally first! The powerful concept behind this postcard promotion is that each of you will want to personally sponsor just a few people . . .not millions! Therefore, circulate a few 100 postcards or "mini-flyers" in your local neighborhood, and then let your downline continue on.

Since this offer has probably not been seen in your neighborhood, it will be a new, fresh opportunity for anyone looking at it. That way, the effectiveness on your postcards will be high and cost effective. Look at these advantages in starting locally. You Can Start Now! You Get Fast Results It's Inexpensive! It's Easy! You Can Pass Out as Many as You Want! Your Downline Can Do It! There's Little Local Competition! There is No National Competition! You Can Have Kids Do the Work!

Where & How to Circulate Postcards Locally

Pay kids to help. If you pay kids a penny or two for each postcard they circulate, you can circulate 1,000 for only \$10 or \$20. Compare that to over \$200 for mailing them. If you get two kids, and drive them through your neighborhood, they can cover a lot of streets in a few hours.

Where Kids Can Circulate Postcards By Hand 1. Through Paper Boys 2. Door to Door 3. Newspaper Boxes

Note: It is illegal to place in mail boxes. 4. Under Hotel Room Doors 5.

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Personally Pass Out at High Consumer Traffic Areas Place On Automobile Windshields 6. Shopping Area Parking Lots 7. Hotels & Motels 8. Sports Arenas 9. Public Parking Lots 10. Airport Parking Lots 11. Convention Centers 12. Hospitals 13. Bowling Alleys 14. Night Clubs 15. Fine Restaurants 16. Schools 17. Colleges 18. Theaters 19. Tourist Attractions 20. Fairs 21. Large Flea Markets 22. Auction Locations 23. Fast Food Restaurants

How & Where to Pass Postcards Out Yourself

The following listing are places that you may want to consider for placing a small stack of 10 to 20 postcards. Many of these places you can simply place them with no permission. Others, you will want to get permission, and in doing so you will have the opportunity to review the postcard offer with the person in charge. You may, therefore, be able to sell these people the MLM MACHINE reports by simply asking for their permission. For example, let's say you want to place a stack of cards on the counter of your favorite convenient store. You simply say to the person in charge, "Do you mind if I leave a few of these cards here?" If he wants to know what they are, you have a good chance of explaining the program to him and perhaps selling him the program.

Another good method is to offer to PAY the retail establishment a penny or two if they include your postcard with their packaging bag. If you can trust the person you are dealing with, you will get 100's of your postcards circulated each day automatically.

If you look around, you will find all kinds of places that you can place a stack of 10 or so of your postcards. When you circulate your postcards this way, it is a good idea to code the location with a number so you can tell what places are working for you. You can then check on these locations every week or so and keep them replenished.

NOTICE Make sure that you adhere to your local laws and regulations when you are circulating literature. If you have questions, check with your local authorities.

Literature Racks

Literature Racks are perfect for distributing your literature. Do you have any of those public literature rack areas in your large supermarkets? If so, this is one of the first places to put your literature. This is a good example where and why you will want to code your literature so you can tell what locations are working best for you.

24. Super markets 25. Anywhere there is a magazine rack 26. Hotels 27. Libraries 28. Airports 29. Inside shopping malls 30. Large buildings 31. Hospitals

Reception and Waiting Lobbies

Anywhere people are waiting in lobbies are just excellent! These people

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are trying to pass time and will read anything they can get their hands on. Ideal lobbies include:

32. Automobile Service Center 33. Tire Stores 34. Beauty Salons 35. Barber Shops 36. Doctor Offices 37. Dentist Offices 38. Medical Centers 39. Company Lobbies 40. Restaurant Waiting Areas 41. Hotel & Motel Lobbies 42. Airport Waiting Areas 43. Bus Terminals

Retail Counters

44. Convenient Stores 45. Gas Stations 46. Gift Shops 47. Book Stores 48. Video Stores 49. Restaurant Counters 50. Any small privately owned retail outlet

Bulletin Boards

51. Libraries 52. Public Auction Notice Boards 53. Government Buildings 54. Post Office 55. Factory Bulletin Boards 56. Office Bulletin Boards 57. Travel Rest Areas 58. High Schools 59. Colleges 60. Restroom Bulletin Boards 61. Truck Stops 62. Make your own place with the Baggie trick and attach them to telephone poles, elevators, etc. 63. Unemployment Offices

More Places

64. Computer Bulletin Boards 65. Trade Shows. Great! Here you pass out cards to the exhibitors or get there early and leave a few at each booth table. Mingle with the crowd and personally pass out cards. And don't forget the bulletin boards, the windshields, and hotels, etc. 66. County Fairs. There are tons of people to mingle with. Flea Markets. Pass out cards to people exhibiting and mingle with the crowd. The people that have booths are perfect candidates since they are trying to earn extra money part time on the side. 68. Business Opportunity Meetings. If you watch your newspaper, or visit a few hotels, you may find several locations where business groups regularly attend. This is fairly standard practice with the Multilevel Marketing groups where new people are constantly be invited to an "Opportunity Meeting."

Consider these places so you can mingle and pass out a few postcards personally or to place on windshields.

XX Here's a powerful one that I won't even count! Telephone Booths! Place your literature on any "flat" shelf, or use the "baggie" trick. Do you think you can find 100 or so telephone booths? I think so. Don't you ? Go for it!

Well, there you have it.... 68 ways to circulate postcards postage free. Yes, I know that we advertise only 65, but I like to give my customers a little more than what they have purchased. That way, I stand a good chance to have satisfied customers that buy from me again. In fact, since this report is focused on distributing literature locally, I have added another section to this report. Namely, how to mail postcards locally. In our report, "How to Make Up Front Cash Generating MLM Leads By Selling Moneymaking Report by Mail", you will learn how to make money by mailing postcards nationally.

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When you mail a postcard, it goes by First Class Mail for less cost than the cost of a First Class Stamp. At the time of this writing, a postcard can be sent for 21 cents compared to a 29 cent first class stamp. It will be sent fast, and if there is a problem with the address, it will be returned to you FREE of charge.

Your Warm Inner Circle

Everyone has lots of friends, relatives and business associates. This is sometimes referred to as "Your Warm Inner circle." There are estimates that the typical person knows about 800 people in his inner circle. The standard MLM approach is for you to try to sell to your "sphere of influence" or your inner circle. The nice thing about this postcard program is that you don't have to personally try to sell anyone anything. Instead, you just write a short note on the front of the postcard (there's space for this) and send it off to the people that you know. consider writing a note like this, "John, I thought you might like a copy of this - Mary." Don't make the mistake of giving this plan away. If you do, it will defeat your whole program. Make a list of everyone that you can think of that might appreciate knowing about this opportunity. Then simply mail off a few of these cards. Don't forget the following:

69. Family 70. Friends 71. Neighbors 72. Business Acquaintances 73. The People you buy from

Fax Machines

74. FAX Machines. If you have access to a fax machine, you can FAX 100's of local business offices! Make up a sheet of paper and write or type a note on it with a copy of the post card and you're all set!

Telemarketing Techniques

Not many people like to sell by using the telephone, but then again there are a lot of people that do! One thing is for sure, a good telemarketing person can quickly sponsor a lot of people in this program for you. If you are comfortable with the telephone, let me show you an easy way to promote this program. If you are not comfortable with the phone, let me show you how to find telemarketing people that you will want to sponsor into your MLM programs by selling the MLM MACHINE.

75. How to do telemarketing. The trick is to work with referrals. That is, you want to call people that have been referred to you. If you call someone and say, Mr. so-and-so asked me to call you," you can be sure that the person will be cordial and attentive. Compare this approach to the "cold calls" you get from strangers who try to sell you something "out of the blue" over the phone. Many direct sales companies depend 100% on using referrals. When they talk to anyone, they always make a habit of asking for referrals. They never run out of good leads since they are constantly generating several referrals with each person that

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they talk to.

The easiest way to get a few referrals is to ask for referrals from your “Inner Warm Circle.” Simply ask your friends if they know of anyone that would like to earn a few hundred dollars part time by circulating postcards. Another way is to make a few “cold “ calls on the phone. Just pick up the phone and call a few random numbers and say something like this, “Hi, my name is John Doe and I’m looking for a few people in your area that would like to earn some extra money circulating postcards. Do you happen to know of anyone?”

Once you have 5 or 10 referrals, your cold calls are over. When you call people that have been referred to you, you change your sales pitch slightly like this, “Hi, my name is John Doe and Mary Smith mentioned that you may know of some people in your area that would be interested in earning a few extra dollars per month by circulating post cards.” (let him answer and take a lot of notes of the people that he is mentioning. Make sure you get their phone numbers). Then say, “In fact, Mary Smith also mentioned that you might be interested?” When you talk to someone that is interested, tell him that you will send him a postcard explaining the offer. And do so. You may then want to follow up with him in a few days to make sure he sends in his order to you. In summary, develop a few referrals, and then snow ball the quantity of referrals with everyone that you talk to. The trick is to ask for the referrals first before you explain the offer.

How to Find Telemarketers that will help you

I’m sure that you see how a good telemarketer can generate a lot of business for you. If you can find a few telemarketers that you can sponsor into this program, he will be able to quickly sponsor a lot of new people. Consider the following methods:

76. Find out the location of Professional Telemarketer Offices. You can generally find these occasions by looking in the yellow pages. Then go there and place postcards on the windshields in the parking lot. 77. Place a classified advertisement in your local paper. Say something like this, “Telemarketers wanted. Work your own hours from home. Call for details.” When they call, get their name and address and send to them a postcard! 78. Call Telemarketing Firms. Ask if they would be interested in your program on a commission basis. If not, do they know of anyone what might be? (Use the referral techniques described above!)

Local Advertising Techniques

79. Place a classified ad for leads. Say something like this, “Part time workers needed for circulating postcards.” When you get a call, send out the postcard. 80. Sell the plan directly by mail. Advertise this, “65 Easy Ways You Can Make Money Circulating Postcards. Complete Plan - \$2.00” 81. Place small space ads in local newspapers. Check out the smaller newspapers and try them first. Also, check out the special newspapers that offer advertising that you pay for only

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when you sell something. 82. Use Coupon Booklets. Most communities have several discount coupon books that are sent out by mass mail. You might want to consider these and you may want to include the entire postcard copy for this. 83. Check out with your local Ad Agency. Find out if he has any "specials" that you might want to consider.

Use Direct Mail Locally

At least one of the MLM programs that is being promoted with MLM MACHINE plan is an excellent way for the consumer to save money. In that regard, any company or organization that has a lot of members, employees or customers may be interested in making these benefits available to their associates. If you sponsor any person that has a lot of contacts, just think how many people he will be able to sponsor. If you concentrate on companies that are small, you normally can send your postcard directly to the owner. These people are shrewd people. If you can show him how he can help his associates while he is making serious money doing this, he may be interested.

If you go to your library, you will find many listings of local organizations that you can mail to. Here are a few to consider:

Service Organizations

Any service company that offers a monthly service is excellent since they normally send out a bill to their customers. The postcard can be sent postage free. If you have a friend or relative in this kind of business, he may do this for you as a "favor." Or, he may be interested in your MLM program and do it himself. Either way, YOU earn money.

86. Cable TV Companies

87. Contractors

88. Plumbers

89. Lawn Care Companies

Other Establishments

90. Small Manufacturers 91. Distributors 92. Trade Organizations. There are many of these organizations. If you can sponsor just one, they may sponsor 100's or even 1,000's of new people! 93. Unions. What a great opportunity! 94. Consumer groups and organizations. Can you imagine how many people you might sponsor through these organizations? 95. Fund Raising Groups. This program is a natural for groups that are soliciting the public in order to raise funds. A lot of these use kids and teenagers that go door to door. What better way to have your postcards circulated. And the fund raiser clubs or organization can build a residual income just like you are doing. consider these: 96. Youth organizations. Check it out in your Yellow Pages or Library. 97. Schools 98. Churches

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Delivery & Circulating Sources

There are a lot of people that make a living by delivering their products either to retail outlets or to the consumer. If you sponsor any of these people, they have 100's of locations that they routinely visit and can easily pass out or place postcards. Consider these:

104. Pizza Restaurants 105. Chicken Restaurants that deliver 106. Newspaper Delivery Managers 107. Magazine Distributors - Wow! This would be just great! 108. Distributors who call on retail outlets

Companies who sell products are always looking for a sales incentive to give away. They use this techniques to entice people into their retail establishment, or as a promotional item to give away when the customer buys their product. For example, let's say your local video store has a sign that says, "Rent 3 videos, and get our report, "How To Make Money With Postcards Easy Postage FREE Moneymaking Methods Revealed!" FREE! Get the idea? He will rent more videos and he can also build his (and your downline) Places to consider are:

109. Video Stores 110. Book Stores 111. Gift Shops 112. Mailorder Dealers - great closing item! 113. Magazine or Newspaper publisher. Can you imagine how many people could be sponsored by a magazine publisher? 114. Clubs and Organization Incentive to join 115. Any small retail establishment

Use Local Group Advertising

116. Once you have your 10 people in your organization, consider advertising to help your downline. That is, make arrangements with your local newspaper, radio or even TV stations. With say, 10 people in your immediate downline, the advertising cost can be spread out making it a reasonable cost per person. Your job is simply to make the arrangements so they can all generate good leads for themselves.

How To Build A Massive Moneymaking MLM Machine By Mail On a Shoe String Budget at Home

This report, "How To Build A Massive Moneymaking Machine By Mail...On A Shoe String Budget At Home" is one of 15 reports contained in our set, "How to Build A Lean, Mean MLM Machine . . .By Mail!" If you have not ordered the complete MLM Machine set of reprintable reports, I urge you to do so immediately so you can take full advantage of this program.

Before you can appreciate and understand how to promote MLM programs by mail, it is appropriate to review first the fundamentals of MLM(Multilevel Marketing) and mailorder methods that are proven. Let's talk first about MLM that is also known as Networking or Network marketing.

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The Basics of MLM Programs

First understand that MLM is not an illegal pyramid scheme. It is 100% legal and many multimillion companies market their product strictly through MLM promotion. Some of the best known MLM companies include Amway, Shaklee, Tupperware, Princess House. . . a subsidiary of Colgate Palmolive, A.L. Williams, MaryKay Cosmetics, U.S. Sprint, MCI, and NSA. These companies have been around for decades. There are actually 100's to 1,000's more MLM companies. Like other companies, some are good and some are not so good. But one thing is for sure. MLM is here to stay, and it is an explosive growth field!

So what's the big attraction to MLM companies and programs? Well, it represents a wonderful opportunity for the "little fella" to start his own business on a part time basis and make a whole lot of money! How is this possible? The concept is fairly simple, MLM companies offer their products and services through independent distributors who can then recruit other distributors. That way, a distributor can buy the MLM products at a discount and earn money selling the product directly to others. He also earns "overrides" for the distributor that he has sponsored. And it gets better. Normally, a distributor also earns "overrides" for several levels that are deep in his organization. These distributors are called his "downline" or his "organization." You have probably seen how an organization can grow, but I'll show you again just in case. Let's say that your organization has 5 levels. Let's assume that you sponsor 5 people, and everyone does likewise. Your downline would then grow like this:

Level	1	5
Distributors Level	2	25
Distributors Level	3	124
Distributors Level	4	625
Distributors Level	5	3,125
Distributors Total	=	3,905 Distributors

Now that's quite a few distributors. If you earned \$10 a month for each distributor in your "downline," you would be earning \$39,050 a month! So theoretically, you can earn a lot of money! If everything worked perfectly. but it normally doesn't since your downline will not build perfectly. In fact, in most cases if you are using standard MLM techniques, you'll be lucky to build anyone on your second level! Now, I'm going to tell you the way it is in the real MLM world. You can make a lot of money in MLM, but most people don't! Let me explain what it takes to succeed and also to fail in MLM. You need to understand the underlying principles of MLM first.

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You Must Build Your Organization Deep!

Notice in the previous table that you earn your big money on your 5th level. That's because that's where most of your distributors are. To build a deep organization, you **MUST** train and help your first level! In other words, you must have a method that is duplicative! Your first level people must have a way to help their first level (your 2nd level) and so on. Otherwise your organization will die on the vine! Most new people in MLM make the serious mistake in trying to build their first level wide. That is, they personally want to recruit as many people as they can. Here is how they reason. If he can't or doesn't want to sell, surely if he sponsors enough people on his first level, some of these people will magically sell for him. Bad mistake! If you can't sell the product or service, how can you expect to train others to sell? You have just got to have a duplicative method that you, your people, and their people can easily duplicate. This is the fundamental basic rule that makes MLM promoters wealthy! Violate it and you're dead in the water!

You Must Learn How to Sell and Teach Others to Sell Yuck! This is the kiss of death for most people! Let's face it, most people hate to sell, can't sell, and don't want to learn how to sell! But don't fret. In these reports, I will show you how to succeed in MLM without direct selling by using mailorder techniques. but for now, understand that if you are strictly in MLM only, you "gotta" sell. There is no other choice!

Another unique problem with MLM'ers is that they find it difficult to generate leads. That is, once you have joined a MLM company, who do you find to sell? Where do you find interested people to talk to? Lead generation is generally very awkward. Since the very principle of MLM is that all selling is done by word of mouth, advertising just doesn't seem to fit. If advertising is used, it is mostly used nationally, and the long distance phone calls for following up gets to be very expensive very quickly. Generally, if your upline gives you a few leads a month, you're lucky. Or sometimes, you will be invited to participate in cooperative advertising. This is OK, but these leads generally cost \$1 to \$5 each and then again you have the long distance problem.

Oh yes, the MLM companies come up with all kinds of disguised ways to overcome the selling and lead generation problems. They try to teach you how to "share" your product with friends and relatives.

They want you to bring your potential distributors to rah, rah, rah "Opportunity Meetings." All selling techniques! And yes, they show you how you can lose a lot of money by trying to sponsor new distributors by "long distance." I say "lose a lot of money" because the MLM companies in general don't seem to understand the first thing about how to use proven mailorder techniques.

Another theory that MLM companies will tout is that you should be 100% loyal to only them. That is, they insist that you are active only with their MLM

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company. This goes against human nature! I know many people who are in MLM, but not one of them is in only one program! Most MLM'ers get into several MLM companies. Yes, I know some of the "old timers" that have been in only one MLM company, and they adamantly advise you to do the same. But it seems that most MLM newcomers all get involved in more than one MLM program.

Can you imagine K-Mart or drug stores if they handled only one brand of products? So this is a contradiction in the minds of most MLM'ers. They want to handle several companies, and most people want to "buy into" several companies, but no MLM company openly discusses it. Certainly no MLM company trains you how to do it.

How to Go Broke Promoting MLM by Mail

Let's review how MLM companies operate in general. Mostly, all quality MLM companies have first class promotional material and services that you can use. This can include expensive full color literature, audio tapes, video tapes, local and national meetings, training seminars and the like. They encourage you to have #800 phone numbers, voice box mail services and FAX machines. This is all geared primarily to sponsor local people. And it works when you are primarily selling face to face! But none of this is worth a "plugged nickel" if you are trying to sell by mail! It's way too expensive.

Here's how the typical MLM "BIG TIME" promoter can lose a lot of money. First, he signs up in a wonderful MLM program. And it probably is. Next, he decides to sponsor as many people as he can. (Surely if he gets 100 people in his first level, he can get 1,000's in his organization? Wrong!) Let's continue on. To sponsor 100 people fast, he advertises in USA Today under Business Opportunities." Ninety percent of all ads in this section are MLM companies and distributors! He gets to spend about \$500 for one weed with a tiny ad! Next, he gets a voice box mail service with a pre-recorded message. (I hate those!)

Now he sits back and, sure enough, he gets about 50 to 100 leads. (That's \$5 to \$10 a lead cost!). Now guess what next? He now has about 100 leads that he must call back at HIS cost! And he'll probably have to call several times to catch these people. Another cost of \$5 to \$10 for everyone that he talks to! Well, sure enough, some of the people are genuinely interested and they want more information and literature! Remember that expensive literature I told you about? Well, now he has to send it! Let's see. He has to send the expensive \$10 to \$20 video with the expensive literature. Otherwise he can't possibly "sign" anyone up without meeting him face to face. So be it. Send it all out.

Now we're up to \$30 to \$50 cost on just this one person! Whew! Oh well, we have now sent out the expensive packages and we'll see what happens? Probably nothing! Well, that's what follow up phone calls are for. Another cost. More time. And if he is lucky, he will finally sign up 1 or 2 new distributors. What a

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messy, costly way to do this!

But what was that fundamental principle that I taught you earlier? You must be able to duplicate your system! Now that you have finally signed up 1 or 2 people, you are now going to try to show him how you did this! You would be nuts if you tried this! But nevertheless, there are plenty of people that try to do it this way. Just read the ads in the USA Today if you don't believe me!

OK. Let's recap on MLM. If you want to succeed in MLM using standard MLM techniques you need to:

1. Handle Just One MLM Company 2. Sell Face To Face 3. Recruit Only a Few On Your First Level 4. Have a Duplicative Method 5. Build a Deep Organization 6. Help and Train Your First Level 7. Primarily Sell Locally

Mailorder Techniques

Now that we have covered MLM, let's now see how the professional mailorder dealers operate. It's entirely different! Let me explain to you the fundamentals that all mailorder dealers will use.

First, the basic idea in mailorder is to get as many customers as you can get so you can sell to your customers over and over again. The very first objective in mailorder is to develop your own customer base. Once you have a customer base of, let's say, 100 to 10,000, you can keep sending them your new offers or catalogs and keep reselling them! Professional mailorder dealers talk in terms of the "front end" and "back end." The "front end" is the method of simply getting customers . . . even at no profit or at a slight loss! No professional mailorder dealer will ever attempt to make a "killing" with advertising or mass mail to non-customers!

It just doesn't happen. They will, however, do a lot of advertising and mass mailings to build their customer base! A customer base is pure gold! These customers like to deal with you and they buy again . . . and again. . . and again. As long as you have several offers! And that brings up another fundamental point. To succeed in mailorder, as with any business, you just have to have several products or offers to sell. If you don't, you will most likely lose money in trying!

When it comes to advertising, these guys are pro's. All will use tiny classified ads that you see in the back of national advertising. If these ads get results, they will test and test and then place small 1" ads. When they have an offering and a publication fit, they then might place a large ad. Only then. You will rarely see them advertise in USA Today. Way too expensive!

They will use "leader items." A leader item is an inexpensive report or item that typically sells for less than \$5.00. By advertising a leader item that costs 2 or 3 dollars, you can expect to get orders directly. The objective is break even with your mailing and advertising costs and build your customer base. Reprintable reports are excellent for this. Sometimes you can actually make money right up front if you have a "HOT" item.

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Everyone that buys the “leader item” will then get another literature included. It generally goes postage FREE! Do you see how they operate? Slowly but surely. Making money as they go!

Testing and re-testing! Mailorder dealers know that they can make a lot of money! Some reports say that there are over 50,000 small mailorder dealers quietly earning over \$50,000 a year operating out of their homes! You and I also know that there are also many big time mailorder operators that become very wealthy by selling by mail.

Let me recap what successful mailorder dealers will do.

1. Develop as many customers as they can 2. Promote nationally 3. Have several offerings 4. Develop cost effective ways to generate customers

How to Combine MLM with Mailorder

If you look at the “recaps” above, you will not find many common ties between MLM and mailorder . . . do you? But yet, there are a lot of amateurish MLM distributors and companies that try to promote MLM via mail without understanding the first basic principle of mailorder techniques! But it can be done! With astounding results!

Do you see some of the main differences between promoting MLM and mailorder? In MLM you should “Sign Up” only a few people on your first level. Say no more than 10 and then help them. With Mailorder, you want to develop as many customers as you can. . . 1,000’s if you can! With MLM, you want to sell locally, and with mail-order, you have to sell nationally! With MLM, you are told to be loyal to just one company, but with mailorder, you should have many offerings.

Wouldn’t it be nice to be able to take all the good techniques from both MLM and from Mailorder Techniques and throw away the nasty ones? Well, that’s just what these reports are all about!

Mailorder dealers operate lean and mean. If they don’t make a profit on everything that they do, they are out of business! That’s a good premise to start with. don’t do ANYTHING unless you can make some up front money, or at least break even! If mailorder dealers were to make deals like a lot of MLM distributors do, they would be out of business immediately! Let me give you a few examples. Avoid them like the plague!

MLM Offers to Avoid!

In these examples, remember that the offer that is being made must be duplicated (by you) if it is any good!

1. “Join my program and I’ll pay your way in.” What a miserable offer! This guy is willing to pay his money to get me into his program. What is he really saying? If I join him, I will have to pay for my new people? This can’t get any worse!

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2. “Sure, I’ll send to you the information FREE.” Now let’s see. If he is sending me video’s and expensive literature, I’ll bet that is costing him at least \$10 to \$20! Hmmm. If I get into this program, does this mean that I will have to send out this FREE stuff? At my cost? No way!

3. “Join now, and I will build your downline.” This guy is absolutely naive or just a flat out liar! It is impossible for him to build your downline. And you cannot possibly duplicate this method. Watch your wallet and stay away! While you may be able to help a few select people by “signing up” a few people for them, you cannot possibly do this for your entire downline! You must provide a logical method that your people can do this for themselves!

How to Sell MLM by Mail

Now that you understand the fundamentals of MLM and mailorder techniques, let’s see what it takes to promote MLM by mail. In all cases, you need to come up with a plan that makes sense. One that is good for you and can grow. If you are going to promote MLM programs by mail, wouldn’t it make sense to operate your core business like a mailorder business instead of a MLM business? I think so, don’t you? This is explained in the other MLM MACHINE reports in detail. For now, here is a simplified step by step way to do this.

1. Start a mailorder business selling reprintable reports by mail. Our report, “How to Make Up Front Cash Generating MLM Leads By Selling Moneymaking Reports By Mail!” shows you exactly how to do this.

2. Make money generating leads with postcards and mini-flyers. Our reports #1 and #2 in the MLM MACHINE reports show you how to do this locally and nationally.

3. Make several offerings. If you follow items 1 and 2 above, you will have developed a customer base and MANY leads. Now you can start making BIG money with repeat offerings. See Reports #11, 312 and #13 in our MLM MACHINE reports for other offerings that you can buy and then promote.

4. Promote several MLM companies at the same time. That way, you can sign up one person in several programs. Read our report, “How to Use Amazing Cross Pollination Methods To Earn Up Front Cash While Building An Explosive, Infinitely Deep Downline!” You will be amazed how you can make money with this method.

5. Build your MLM programs deep! For the MLM programs that you are promoting, try to get no more than 10 or so active people on your first level. Then show them how to use this plan.

6. Sell your literature! By using mailorder techniques, you will have generated a lot of leads. If you follow my plan, the people requesting literature will pay you for sending this literature out to them.

7. Sell your MLM leads to your downline! That way, you get your downline

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off and running quickly! After you have 10 or so people in your first level, you will have probably generated 100's of extra leads. This is particularly true if you are promoting the MLM MACHINE by using our mailorder techniques. Usually, you will want to SELL these leads to your downline. Look. I'm not a bit opposed in making money while I am helping other people make money! Are you? Remember, your system must be duplicative! And profitable!

8. Use the CROSS POLLINATION technique described in report #8 of the MLM MACHINE reports.

9. Sell the MLM MACHINE reports to your downline. That way, they become automatically trained, and you make a buck selling the reports to them!

10. Choose MLM programs that have literature that is cost effective to send out by mail. Use our "Highly Recommended" MLM programs as a guide for your selection.

11. And lastly, do not compete with your 10 people in your first level. Once you have your 10 active people, share your success methods with them. That is, show them how to use these reports. If you have advertised, let them know what did best for you. If you do this right, you may want to back out of the mailorder business, and just let your 10 MLM downline people carry on.

Summary

So there you have it. If you want to start on a shoe string, here's how. First, you have to buy the entire set of reports, "How To Build A Lean, Mean MLM Machine . . .By Mail." That costs you only \$25.00. Next pick at least one MLM company. Refer to our "Highly Recommended Listing" in our reports, "30Choice MLM Programs That Can Be Promoted FREE For You." If you can afford the #1 "Highly Recommended" MLM program described in that report, this is an excellent one that you may want to start with. Once you have selected one MLM program, buy or copy some postcards & Mini-flyers and then circulate them locally. By using this method, you will make a few bucks selling the \$2 reports with the postcards, and then you will get repeat orders selling the MLM Machine reports. Use the technique described in our report, "How To Use Amazing CROSS POLLINATION Methods To Earn Up Front Cash While Building an Explosive, Infinitely Deep Downline." This report will show you if you can sell only 10 MLM MACHINES, you probably will sponsor 10 MLM people! You're off and running! Now you can expand your business with other techniques and offers made in the MLM MACHINE.

How To Make Up Front Cash Generating MLM Leads By Selling Moneymaking Reports By Mail!

This report, "How To Make Up Front Cash Generating MLM Leads By Selling Moneymaking Reports By Mail!" is one of 15 reports contained in our set of reports titled, "How to Build A Lean, Mean MLM MACHINE. . .By Mail!." If you

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have not ordered the complete reprintable set, I urge you to do so immediately, so you can take full advantage of this program.

As explained in our report, "How To Build A Massive Moneymaking MLM Machine By Mail . . . On A Shoe String Budget At Home!" the most important objective in running a mailorder business is to develop your customer base. You can then generate repeat business from your customers. Selling reports may be one of the easiest and fastest ways to do this.

WHY SELL REPORTS BY MAIL?

Selling reports by mail is one of the safest and most profitable ways to start and operate your own mailorder business. They are easy to promote and you can generate repeat business by including other sales literature when you send out the reports to your customer. The literature goes postage free since it is being sent with the report. That way, you can develop a solid customer base that buys over and over from you. If you are promoting a MLM program, the MLM MACHINE series will automatically generate leads for you! There are many advantages in selling reports by mail, and a few of them include:

1. They Have A High Profit!

When you sell reports, you are selling information. Valuable information! The person that buys these reports will place value on the information that he is getting. If he pays \$2.00 for a 2 or 4 page report, he is not thinking how much it is costing you to reproduce it. Instead, he is looking at the value of information that he is getting. Therefore, if you can print or copy a 4 page report for 10 to 20 cents, and you sell it for \$2.00, your profit margin is 10 to 20 times your cost.

In the mailorder business, you need to have a high profit margin on your orders to pay for your advertising and mailing costs. You should be selling your products for at least 3 times your cost. Five times is better, and 10 times is excellent. Therefore, selling reports can be a good core business.

2. Easy To Promote

Since you can sell reports on just about any subject, you can generate interest from a wide range of people. As you will see later in this report, you can use just about any mailorder method available to you to effectively promote and sell reports.

3. Low Up Front Cost

There are actually hundreds of reprintable reports available that you can buy and then reproduce them yourself. In these cases, you become the publisher! Your cost is minimal to buy these reports, and your reproduction costs are pennies.

4. Little Inventory Required

Since you can reproduce reports as you sell them, there is no need to buy

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or reproduce quantities of these reports and store them. Again, your initial cost to get started is minimal.

5. Grow At Your Own Rate

You can start a business selling reports literally on a shoe string budget. As your business gets bigger, you can add more reports to your offering. You also may want to sell books by mail.

6. Shipping Costs Are Minimal

Since you are selling “ink on paper” you can generally mail a \$2.00 report with a simple envelope and one stamp. It doesn’t get much simpler.

7. Easy To Get Repeat Business

When you fill an order, you can easily include a circular offering other reports. Since many reprintable reports are offered in a set that sells for \$10 to \$20, your repeat business can be quite substantial.

8. Good Way To Generate MLM Leads

If you are participating in MLM program(s), you know that generating good qualified leads is the life line of your business. Since you can sell moneymaking type reports, the people who buy from you are excellent candidates for your MLM programs as well. By promoting reports, you can easily generate 100’s to even 1,000’s of leads per month!

9. Sell Your Name List

If you are serious about starting and operating a mailorder business, you will want to rent or sell the names of people who write to you. If, you say, generate 10,000 names, you can earn a nice side income. Name lists generally are rented for \$30 to \$70 a 1,000. If you rent your 10,000 name list, 20 times a year for \$50, your income for 10,000 names would be $10 \times 20 \times \$50 = \$10,000$. not a bad side income!

10. Perfectly integrated With Cross Pollination Techniques

And lastly, if you are selling the MLM MACHINE set of reports, you will agree that you have a solid coherent plan to quickly expand your highly profitable business by starting with reprintable reports. Refer to report, “How to Use Amazing CROSS POLLINATION Methods To Earn Up Front Cash While Building An Explosive, Infinitely Deep Down-line!”

How To Sell Reports By Mail

Now that we have covered why you should sell reports by mail, let’s now show you exactly how to do it. You can sell either single reports or a set of reports, and the method varies slightly for each approach.

1. Use Tiny Classified Ads To Generate Leads

Did you ever notice those tiny classified ads in the back of nationally dis-

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tributed magazines? Did you ever wonder what was really being sold? Almost always, these are mailorder dealers selling either books or reports! Most of these ads sound exciting and you can normally send for FREE details! If the mailorder dealer is selling a book, you will normally get a cover letter, a brochure, a return envelope and an order form. To break even, or to make a little, the mailorder dealer must be selling a book or service that will sell between \$10 and \$30.

You can use this same approach to sell a SET of reports. The MLM MACHINE set of reports is very good for this. You simply place an ad in one or more magazines that says something like this, "Sell Moneymaking Reports By Mail!" FREE details! Your Name, Address. The cost of generating this kind of lead will vary from magazine to magazine, and how well you write your ad. But for a rough rule of thumb, you can expect the lead cost to be from 20 cents to \$1.00. About 50 cents is the norm. In other words, if you place an ad for \$100, you probably can expect to get $100/.5 = 200$ leads.

Refer to our report, "Where To Place Tiny, Inexpensive Classified Ads That Pull Like Crazy! Over 100 National Magazines With Cost/ Circulation Ratio!" If you are going to advertise in national magazines, you want to get the maximum circulation for each dollar you spend. This report lists the best magazines with their cost versus circulation! Therefore, you can see immediately which magazines offer the best value.

Be aware of the economics of promoting your reports in this fashion. You not only have the cost of advertising, but you have the cost of printing your literature and sending it out to your leads. It works something like this. Let's say you spend \$100 for ads and let's assume your cost is \$.50 for each lead. That means you will get 200 leads - right? Let's assume that you include a one page cover letter, a one page brochure (circular on the MLM MACHINE), a return envelope, plus your mailing envelope. That will cost you about 10 cents worth of printing. Add \$.29 for a postage stamp. Now with total promotional cost is $$.50 + $.10 + $.29 = $.89$ for each lead that you generate.

Your total cost so far is $$.89 \times 200 \text{ leads} = \178 . If you make about \$22 for each order you get, you will have to sell $\$178/\$22 = 8$ or about 8 sets of reports to break even. That's $8/200 = 4.0\%$ closure rate. That can be done. Most mailorder dealers will shoot for 8 to 15% closure rate. If you get 8%, you will have more than doubled your money!

And don't forget the repeat business! When you sell the MLM MACHINE package, you are automatically advertising your other services. In that regard, you may choose to include more circulars or details on your other offers. A personal letter of thanks will go along way in generating repeat business!

2. Use Classified Ads To Sell Directly

If you have a product or service that sells for less than \$4 or \$5, you can sell

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this directly by using a classified ad. The higher the price, the fewer orders that you can generally expect to get. A \$2 price tag has proven over the years to be generally the best. Therefore, you can advertise any of the reprintable reports and sell them directly for \$2! As with all mailorder offerings, you will want to test and retest to see what works best for you.

The "Flagship" offering in the MLM MACHINE set of reports is the report, "How To Make Money With Postcards . . . 65 Easy Postage FREE Moneymaking Methods Revealed!" Making money by mailing out postcards and circulating mini-flyers are easy and anyone can immediately see that they can do it in their spare time. Did you ever see those ads that offer big money for stuffing envelopes? They must pull a lot of leads since there are several companies advertising it. And they have been doing it for years and years. People like things that are easy and simple to do. That's why the postcard offering is good. It also makes good business sense. When you get an order for the postcard report and the Wealth Builder's Program reports, these reports explain this program and the basics of MLM. If you then include a copy of the MLM MACHINE circular, you have an excellent chance to sell the MLM MACHINE reports at \$25.00. To use this method, just place an ad like this in your selected magazine(s),

How To Make Money With Postcards - 65 Postage FREE Ways Revealed!
\$2.00; Your name, Address.

If you use classified ads, you can use the wording we have suggested, or you can write your own. You can buy many books on the subject. In fact, you can buy many at discount prices through our #2 recommended MLM programs. See our report #10.

3. Sell Directly Through 1" Space Advertising

There are 100's of small mailorder type publications that you can get your ad inserted for \$10 or less. Many will run your ad for \$1 or \$2! this is an exciting way to start since you can promote any of the reports contained in the MLM MACHINE. Also, you will get checking copies of all the publications that will show you what offers the other mailorder dealers are promoting. You can then write to the other 100's of people that advertise and offer your reports. If you like, just send them a postcard!

If you have used the classified approach described above, and you have found magazines that are really working well for you, now is the time to consider a 1" space ad! These magazines circulate to 100,000's of people! Just think how many orders you might get!

4. Use the Postcard or Mini-flyer as Space Advertising

The postcard copy is designed so that it also can be used for space advertising. That is, it can be used for a space ad that is 3" x 2" columns. As you will see in the small mailorder magazines, there are 100's of 1" ads, so your large postcard

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ad will stand out. In that way, nearly everyone getting the publication will see your ad.

5. Use Full Page Advertising

If you can afford it, the circular on the MLM MACHINE can be used as a full page advertisement. I recommend using the mailorder type publications for this. Depending on the publication, you can expect to pay \$50 to \$1,000 per page. But you will instantly get orders for the entire MLM MACHINE PACKAGE. This is the primary method that this program was initially promoted. If you place a full page advertisement, you can be sure that anyone reading the publication WILL see your advertisement. If you spend about \$200 on a publication that is circulated to about 10,000 people, your cost per person is only 2 cents! Can you think of any quicker more cost effective way to get your message out to thousands of people?

6. Use Print & Mail Services

There are dozens if not 100's of companies that will print and mail your circulars for pennies each! These companies are generally all printers who offer "BIG MAILS." Here is how that works. These companies will advertise offering "BIG MAILS" that are full of offers that sell for \$1 or \$2. When you send your \$2 to them, they will send to you, by bulk mail, various circulars from their customers, adsheets and offers of their own. That way, they make a few bucks for selling the BIG MAIL package, and make money for charging people like you for sending out their circulars. Since you can have 1,000 circulars printed and mailed for only \$20 to \$50, this is a quick and easy way to get started.

If you are interested in using Print & Mail services, you will find a listing of these companies in our report, "Directory Of Mailorder Services and Supplies."

7. Use Personal Postcard Mailings

Mail To Your Warm Inner Circle! This is probably the easiest, fastest and most effective way to sponsor new people. Sit down and make a listing of all the people you know that you think might be interested in this program. There are estimates that the typical person knows about 800 other people!

We all have a few personal friends and associates that might be interested in this program. Write a little personal note on the front side of a postcard that says something like this, "John, I thought you might be interested in this. It's a great program!" Your name. You are NOT imposing on your friends when you do this. You are simply inviting them to respond back to you if they are interested. A personal mailing like this will out pull anything else that you can do. There is just nothing like getting a personal note from a friend! If he is interested, he can order the report or call you and talk to you about it. After all, if you can earn serious money in this program, wouldn't you expect your friends to let you know about this kind of opportunity? I bet you would! This technique works!

8. Circulate Postcards & Mini-flyers Locally - Postage Free!

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Now this has to be one of the quickest most cost effective ways to get started. If you don't agree, read and study our report, "How To Make Money With Postcards. . .65 Easy Postage FREE moneymaking methods Revealed!" If you like, you can even make "mini" circulars of the postcards to keep your costs down even lower.

More Ways To Consider!

Use Card Packs. Did you ever receive a stack of postcards in the mail that has all kinds of offers? If you contact a local ad agency in your area, he will be glad to explain these offers to you. However, be aware that although they will send this card pack to 100,000 or more people, it will cost you one or more thousand dollars for this service.

Send Out News Releases. All mailorder dealers will attempt to get free publicity by sending out news releases to 100's of magazines and newspapers. If you can get a few local news releases, this would be great!

Get Free Reviews. There are hundreds of free lance writers that write columns for many different magazines and newspapers. If you send a letter and a copy of this plan for their review, you may get a free mention in their writing. You also may sponsor him in your MLM program(s) and he has many contacts!

Write Your Own Column. If you have a flair for writing, write your own column and get it published in various publications. In doing so, you can mention your offerings. You get paid for your column writing, and you get free publicity.

Write Your Own Newsletter. There are 1,000's of newsletters now being published on every conceivable subject. Again, if you have a flair for writing, this is an excellent way to earn a nice income while getting free publicity.

Publish Your Own Adsheet. Hundreds of small mail order dealers publish a small 1 to 4 page adsheet. In it, they sell advertisements to others and also promote their own products and services. If this is done correctly, you make money by selling advertising and your ads are then essentially free.

Sell Books By Mail. This is an excellent way to start a mailorder business. There are hundreds of publishers and book dealerships available that will sell you their books at deep discounts. You essentially advertise by classified advertising and sell your books at a nice profit. You can then offer this promotion to them as well.

Use All Profit Ads. Many mailorder firms offer small space ads that advertise products or services that can be purchased for a few dollars. If you purchase one of these, you can resell this product and service and keep all the money. You simply send your order to the prime source and he fills the order free. The reason he is doing this is so he can build up his customer base.

Become A "Big Mail" Dealer. If you look at mailorder publications, you will find 100's of dealers who offer a Big Mail. You send in a buck or two and they

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will send to you a big fat package of all kinds of offers. They make a buck or two up front, and then have a chance to sell something else. You can do this too, if you like and of course, offer this plan as well.

Make Money With Circulars. Many books and mailorder dealerships are sold and advertised by an 8 1/2" x 11" page circular. The profit that you earn is normally at least 50%, so you can generally earn \$5 to \$10 promoting these. A good deal and you get to promote this program free.

Sell To Catalog Houses! there are over 10,000 companies that sell their products via their own catalogs. Normally, they have thousands of customers. They are always looking for high profit products that they can include. If you can get just one of these to include your offering, just imagine how many people you could sponsor!

Get Listed In Directories! There are thousands of directories! Do a little research at your library and you will find various directories for just about any subject listed. Write to these publishers and offer your services. If you can get listed with these publishers, you will get leads month after month!

Mail To Mailorder Dealers. If you want to promote this program by mail, get your hands on as many mailorder publications that you can. The easiest way is to write to a few of the mailorder publishers listed in our report, "Where To Place Your 1" Advertisement For Less Than \$5.00 . . . Over 250 Mailorder Publications Sorted By Cost/ Circulation Ratio!" and ask for literature or offers. If you send a Self Addressed & Stamped Envelope (S.A.S.E.), or a buck or two for their offers, you will get flooded with offers. You also will be put on multiple mailings lists that other mailorder dealers use. When this happens, send back to them your postcard with a personal note. These people are active mailorder dealers! If you can sponsor just a few of them, they will sponsor many for you!

Summary

If you have read this far, I have to believe that you can see how easy it is to make money selling reports by mail. Can't you? And can you also see how easy it is to generate MLM leads this way? I'll bet you can. Don't you? If you agree, take a little time and review the selection of reprintable reports that are offered in our report, Catalog of Quality Reprintable Reports!" You will find that most of these are offered to you in a set of reports. Each set is advertised by one circular to keep your advertising costs down. You will notice that to receive some of these circulars, you will need to send a S.A.S.E. (Self Addressed Stamped Envelope) with a loose stamp to get this information. that way, the person that is sending to you this money is at least getting his postage and handling costs. That's how it will work for you when you place your name on these advertisements instead of ours. We want you to make money up front. Now go through and order a few, or send off for the literature. It's easy and fun! And you get to earn a whole lot of money!

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How To Build Your Downline Deep By Selling Leads... And Literature!

This report, "How To Build Your Downline DEEP By Selling Leads... And Literature!", is one of 15 reports contained in our set of reports, "How To Build A Lean, Mean MLM MACHINE ..By Mail." If you have not ordered the complete set, I strongly urge you to do so now so you can take full advantage of this program.

If you are promoting a MLM program, your ability to generate quality leads to help your newly sponsored people is perhaps the most, single important challenge that you have to conquer. It is therefore, the most important concept for you to understand and implement! This powerful strategy is quite simple. If you can recruit a few active distributors, let's say 10, and if you can help then and teach them to do the same, you can build a deep organization. One that can earn you serious income. Right? OK. So how do you absolutely make this happen? WITH LEADS! HOT, FRESH QUALIFIED LEADS that you pass on (sell) to your newly sponsored distributors! You make it happen! Maybe a better way to say this is, that you FORCE this to happen! Can you see that if you can generate good leads for your people, they can quickly build their organization?

Having (or not having) the ability to generate quality leads will generally make you or break you in MLM programs. And incidentally, when I say "quality leads," I'm not talking about the run of the mill "names" or "Opportunity Seekers" who simply sand for free information just to accumulate your expensive literature. I am talking about sincere people that are "chomping at the bit" to get started! If you can generate this type of lead - and plenty of them - I think you can see how you can build a large strong organization. Can't you?

Being able to generate good quality leads will be the "back bone" of your MLM business. If you want to succeed in MLM, there is probably nothing more important! Therefore, at the risk of being redundant with other reports in this series, this report will show you the exact methods, reasons and importance of lead generation for you and your downline organization.

If you have not purchased the complete MLM MACHINE set of reports yet, let me review very quickly how the MLM MACHINE program works. If you purchase the complete MLM MACHINE, you may copy these reports for pennies and resell them for dollars. You get artwork for postcards, mini-flyers, space ads, and a full page circular so you can effectively promote and sell the reports. Emphasis is given to show you how to start immediately by using many ways to promote these reports in your local neighborhood. This keeps your initial advertisement costs down, and you can generate business very quickly.

Embedded into the MLM MACHINE reports are many additional mailorder type offers that you can then buy, promote and resell to the people that have purchased the reports from you. You can expect to earn about \$10 to \$20 profits from

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these other mailorder offers. More important than the mailorder offers, there is a listing of MLM companies. Here is how you can earn the serious money, so pay attention to these offers.

Several of the MLM companies listed are “Highly Recommended” by Videx, and you can very effectively generate leads for these MLM programs by first selling the MLM MACHINE reports. That is, everyone that buys the MLM MACHINE, will be encouraged to consider these MLM programs. These MLM programs are listed and the reader is asked to send to you a payment for the literature. Sometimes, where the advertising package is expensive, he is permitted to send the package to you for a refund minus your shipping and handling costs. That way, you at least cover your costs.

Study our MLM MACHINE report, “How To Use Amazing CROSS POLLINATION Methods To Earn Up Front Cash While Building A Powerful, Infinitely DEEP Downline!” In that report you will understand why you can expect to probably sponsor at least one MLM distributor for each MLM MACHINE that you sell. Therefore, by promoting and selling the MLM MACHINE, you will be automatically generating new quality leads for you and your downline.

Let me summarize:

1. Your first purchase the complete MLM MACHINE set of reports so you can copy and resell them.
2. You then start by circulating postcards and mini-flyers in your local neighborhood. You also can advertise nationally if you like.
3. You then will get orders for the profitable \$2.00 reports. You then include a MLM MACHINE flyer with your orders.
4. Next, you will get repeat orders for the complete MLM MACHINE set of reports for \$25.00. You simply copy them and fill your order and earn about \$22.00 per order.
5. If you have “bought into” the mailorder offers, you then can resell these mailorder programs to your customers that have purchased the complete set of MLM MACHINE reports.
6. If you have “joined” one or more MLM programs, you will then receive good quality MLM leads from your customers. These people will send to you a payment or at least postage to cover your cost for sending literature to them.
7. You will then enroll new MLM distributor directly into your first level, or you can sell these leads to your downline and help them to get a “jump start.” When you “sell” your leads to your downline people, you may want to help your downline by sending the MLM promotional package out for him. In other words, you will have been paid for sending the literature out, and you are also charging your downline an additional \$1.00 or so for the lead.

Now that you understand how the MLM MACHINE program works, let me put into prospective what generally happens to new MLM distributors who are not using the MLM MACHINE. These people have just signed up in an exciting MLM program, and now they want to recruit new members. Right? Other than

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talking to (or maybe imposing on) a few friends and relatives, what do they do? Quite honestly, most would-be MLM'ers generally gets frustrated and "die a natural death on the vine." Isn't that what normally happens? The reason? They don't have good quality leads to help them get started! Or if they can get leads, they typically are too costly to buy and then send out that, way too expensive, material in the mail.

Consider this scenario instead. Let's first put into focus what might happen when you first sponsor someone new into your MLM program by using the MLM MACHINE method. I assume that your new distributor (or whatever title is appropriate) is very enthused and excited about the new MLM program that he has just joined. He is probably very anxious to get started! It is hoped that he has the complete MLM MACHINE reports, so he has a fairly good understanding on how he can start generating his own leads. At this point, he is somewhat vulnerable. He wants and needs instant gratification! He needs the sweet taste of success . . . now! At this time, if you, his sponsor, can supply him with fresh, hot leads that he can act upon, things can happen very swiftly! Can't they?

Wouldn't it be nice if you could call or write to your new distributor (Let's call him "John"), and say, "John, I have just received a few "hot" fresh leads from people that are very interested in your MLM program? In fact, John, these people have sent money to help pay for the literature and postage. All these people have already bought a copy of the MLM MACHINE so they are anxious to get started. As you probably know, John, I have spent my own money and time generating these leads, but I will be glad to mail out the promotional packages to them for you at a cost of only \$1.00 each. Would you like me to send out a few packages for you?" Sound good? Wouldn't that be a nice way to help your new distributor build "your second level?" You bet it would!

Now, let's put the shoe on the other foot. That is, what would you think if you were the new distributor? Well, let's see. You have just become a new distributor in a very exciting MLM program. You have read the MLM MACHINE reports, so you can see all kinds of ways that you can make money and generate leads. But all that will take a little time. Not much, but a little. Now, what is this "deal" that my sponsor is offering? Tell me again. You have 5 fresh, quality leads? And these people are paying for the literature and postage? And you will make the mailing for me? I only have to pay you a buck each? That's it? You've got to be kidding! I'll take all that you have! Should I send you cash, check or money order?

OK. That scenario is exactly how this program can work for you and your newly sponsored distributors! Everyone wins! But hold on. What about the guy that is sending in his money to get your literature? Can't he write or call to a dozen other people and get all this stuff free? Why in the world would he send money to you or anyone else for this?

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Why People Will Pay You For Your MLM Literature

1. He Will Get The Complete Professional Package . . . First, he is going to get the complete promotional package or exactly what is advertised. That is, he will get the expensive color brochures, the official application forms, audio cassettes, and video tapes. The whole package. All the official literature and documentation. Everything that he needs so he can evaluate your MLM program and register immediately! After all, if he is sending his money for all this, you do want to send everything to him. Don't you?

But that's not what he would normally get from other people. By "other people," I mean people that are not promoting via the MLM MACHINE method. Let me explain. I have personally sent to 5 different MLM distributors in the same MLM program, and have received 5 entirely different sets of literature. None of them had the complete set of everything. When I evaluate a MLM program, I want to see and hear everything so I can make a good decision. don't you? Well, so do the other people requesting this literature.

Why don't MLM'ers normally send out the entire package right away? Well, it goes something like this. Somehow the MLM'er gets his hands on leads that need to be qualified. These could be inquiries or maybe his upline sponsor calls him and tells him he has a few names of people that "could be good leads." "Could be good leads?" What does that mean? And he's supposed to send out his expensive package? So he calls first. More expense. So be it. So after many attempts, he gets through. Most likely, some are "somewhat interested." They would like more information. Now what would you do in this case? Here is a potential opportunity in that you might be able to sponsor someone that is only "somewhat interested" but he wants more information. Would you send to him an expensive \$10 or \$20 package? Maybe you can just copy some of this expensive color literature and send to him? Or maybe, instead you try to "qualify" this "hot" lead a little more. So you try to question this guy over the phone.

You try to explain, "Sir, I would be glad to send you some literature, and if you are then really interested, call or write to me and I will send you the video." Maybe you try to attach strings like, - "I'll send the video to you if you will send to me \$10 to cover my cost." Or, "If you promise to send the information back if you're not interested." And on and on. it gets messy! It's confusing. And expensive! And it doesn't work! Where's the plan?

There is nothing quite as annoying as to be sent poorly copied material and then be asked to send money for the rest. What is that telling me? Is this how I am supposed to promote this program? It sounds like I have to spend a lot of my own money advertising and then send this material out with questionable results! Personally, I want to deal with someone professional that knows what he is doing and can help me. someone who has a clear plan that works and will show me how to

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do it simply! And make money doing it! And that brings us to the second major reason why people will pay you for your promotional package.

2. He Can Be Sponsored By You! The person sending money to you for your literature will have the opportunity and PRIVILEGE of being sponsored by you! Wow! That sounds almost arrogant! But wait a minute. What does this person really stand to gain by being sponsored by you and how much does it really cost him to do so? Well, if the promotional package is only \$1.00 or so, that's his cost, and that will more than cover your cost.

When you are sending a complete expensive MLM promotional package, he really is only paying for your postage and handling costs. As is explained in our other reports, he is only paying to review the material. If he is not interested after getting the material, he can send it back to you for a refund (less your postage & handling costs). But he will have paid to you your up front costs. More importantly, if he joins under you, he is going to be able to use the MLM MACHINE plan and probably will get a lot of support from you! Won't he? Believe me, this kind of program and support may be worth thousands to him. Here is what he will get if you sponsor him.

3. He Will Get Highly Qualified Leads . . . For the moment, don't worry about how YOU are going to do this, since we will show you how you will earn money doing this. Instead, look at this from HIS point of view. He WILL get leads . . . almost instantly! Understand that we're not talking about 100's or 1,000's of "Opportunity Seeker" type leads. You can lose a lot of money sending out literature to this type of "lead." Instead, we are talking about just a few - but highly qualified leads - coming from people that have already bought the MLM MACHINE.

4. You Will Mail Out The Promotional Material For Him . . . What a deal! Yes, it will cost him a buck or so each, but that's peanuts! Isn't it? How many leads do you want me to generate and then send out the literature for you?

From YOUR point of view, don't be overly concerned that you will be sending out some literature packages for your newly recruited members. You will only have to do this in the beginning while you are building your first level. You will be doing this just for your 10 or so people in your first level. You will be doing this only while you are helping them to get started. After that, you sit back and relax and let your downline do the work. Just like you DID (past tense)! In other words, you do this one time while you are building your initial first and second level. Not forever! However, if you like, you can keep promoting the MLM MACHINE and help your SECOND level build YOUR third level.

5. He Can Duplicate Your Recruiting Method . . . Remember, whatever you do, your downline must be able to duplicate. Now look what is happening so far. By promoting the MLM MACHINE programs, and by selling your leads, you are earning extra cash to help your downline! If he joins under you, he will be able to

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do the same thing!

What Are His Other Choices?

Well, clearly your potential distributor can request literature from the “other” guys who will send out a partial package free. And then he can do as they do. Right? But what do they do? Let me explain. The “other guys” must first place an advertisement in various magazines. These ads are either placed by one distributor or through some kind of cooperative advertising method. Did you ever see advertisements from companies who will “Build Your Downline?” That is one of the things that they do. Getting a “lead” is just part of the process. Somehow, they must be qualified! A “lead” could simply be a name in a large listing of MLM enthusiasts. You sure don’t want to send an expensive \$10 mailing to 1,000 of these people, do you? After the “lead” is qualified, you then normally have to call these people, and then send expensive promotional material to them.

While on the subject of placing advertisement for MLM programs, let me explain something else to you. Most MLM companies get a little nervous about you using their name in any kind of advertising that they have not previously approved. To get “approval” generally means that their lawyers must approve it. Since this is very expensive and takes many revisions and time, it is not normally attempted.

More likely than not, the MLM companies don’t have a good advertising piece that you can use for mailorder purposes. If they do, you and the other thousands of distributors are using the same ad! If you look at the MLM & mailorder type publications like I do, you will find that there are often SEVERAL ads that are absolutely identical! That’s a lousy deal!

To over come this problem, a MLM distributor can make up his own ad, but normally, he will not mention the MLM company name since it needs to be approved. Boy does that take the sharp edge off your MLM ad! Here you are trying to recruit members, and your ad doesn’t even say what company it is. Either way, if you try to advertise your MLM program, you wind up with a “bum” deal. It costs you plenty, and you end up competing with everyone under the sun. There has to be a better way!

Consider this instead. If you advertise and or promote the MLM MACHINE reports instead of the MLM program directly, you are free to use any conventional mailorder method without restraints. For example, you can use any of the advertising copy that is supplied in the MLM MACHINE, or write and design your own. You can also partake and advertise and promote any of the mailorder programs that are described within the MLM MACHINE reports. That way, you are no longer limited by the advertising laws and rules of the MLM companies.

You will notice that within the MLM MACHINE reports, we do list MLM companies. However, we are very careful what we say about any given MLM com-

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pany directly. We do provide and explain “typical” example programs, but we do not tie this into any particular MLM company. Instead, we encourage the readers to send off for the official MLM literature that the particular MLM company has printed and has already endorsed.

Well, let’s assume that you are one of the “other guys” that are not using the MLM MACHINE. That being the case, you see no better way, and you decide to place your own ads. Assume that the ads are placed, and the cost of just generating the leads will normally weigh in at about \$1.00 to \$5.00 each! In other words, if your advertisement costs you \$100, you can expect to get 20 to 100 leads. That’s typical. OK. You now have paid to get a few leads. Now What? You must send literature out! Right? But what literature? Boy, this stuff is expensive! Typically, it is going to cost you \$1 to \$20 . Figure at least \$5 on the average. Plus postage! Plus the shipping envelope and label! To do it right, you had better figure a total cost of \$10 for mailing the promotional material out plus \$2 for the lead. That’s a total of about \$12 bucks for each lead that you generate! So you send it out.

What happens next? Understand that these people that have sent for your literature know nothing about you and how you might be able to help them. They do not have a copy of the MLM MACHINE reports- like you do. That means that you are probably going to have to call these people - long distance - and explain the program and show them how they can duplicate your method. Duplicate your method? Gulp! What method? What is your closure rate? In other words, let’s say you generate 100 leads. As described above, it is going to cost you $100 \times \$12 = \$1,200$! How many will join up with you? One or two? If you are very lucky, maybe 10. But even with that, your cost to get one distributor is $\$1,200/10 = \120 each. There must be a better way! There is, and you have it in your hands. Why not MAKE MONEY up front while you are recruiting new people? That sounds better, doesn’t it?

And your method is duplicative! What you do, your newly sponsored distributors can do! And what does he need to do to get into this program? That’s right! He has to pay a little up front for your literature so he can be sponsored by you. Now let’s recap on what we have said so far. Here is what the typical MLM’er will do when he tries to promote by mail:

- 1 He must place or buy advertisement on his MLM program at his cost.
2. He must pay his own money to send out the promotional package.
3. He has to follow up with expensive telephone calls.
4. He will normally have a low closure rate.
5. He has an awkward, expensive method.
6. He does not have a good duplicative method.

You on the other hand will be promoting through the MLM MACHINE method and:

1. You can generate free MLM leads by promoting \$2.00 reports with post-

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cards and with other moneymaking or inexpensive methods. 2. You can generate leads effectively locally and nationally! 3. You generate cash & profits while generating FREE MLM leads! 4. You sell your leads to help your downline! 5. You will be PAID to have your promotional material sent out! 6. People who request your literature will generally be pre-sold. Most all will have a copy of the MLM MACHINE plan! 7. Your system is duplicative and PROFITABLE! 8. You can use CROSS POLLINATION techniques that will almost guarantee your success.

Quite a difference, isn't it? Now, quite honestly, who would you like to be sponsored by? Someone in this program, or an outsider? Now do you see why someone is really PRIVILEGED to have you as their sponsor? Do you see why this is called a "Lean, Mean MLM MACHINE?" In this program, the buck stops here - right in your hand!

But let's face it! As good as this program is, there will still be people that will send off for the FREE material. That's OK. Remember, you are not trying to sign up the whole world. Are you? Just your 10 people or so. In fact, you can be down right picky. After all, the 10 elite people that you sponsor will be getting a lot of support from you by using this plan. Won't they? And they stand to make an awful lot of money. don't they? So stick to your guns. Use these techniques, and they will work for you. We are all in this program to help each other . . . And to make money! Aren't we? Your job is just to get your 10 or so people and then help them get started. After that, you can simply maintain your organization from your "arm chair." Not bad, is it?

How Many Qualified Leads Should You Generate To Help Your Downline?

Well, first, that depends on how many people you have decided to place on your first level. I like to think in terms of 10, so let's use that as our example. If I sponsor 10 people, I then want my first level to also sponsor 10 people. That's a total of $10 \times 10 = 100$ people who should be on my second level. Right? I like to keep the odds in my favor, don't you? In fact, I love to gamble when the odds are 100% in my favor! Don't you? Therefore, I want to make SURE that my first level sponsors 100 ACTIVE distributors. Wouldn't you? Therefore, I WILL CONTINUE TO ADVERTISE AND PROMOTE THE MLM MACHINE PACKAGE UNTIL ALL 100 POSITIONS ARE FILLED! What the heck - I'm making some nice money promoting this package without even thinking about generating the MLM leads! They come FREE. Well, not quite, I make money getting them and selling them! So I guess they come WITH A PROFIT!

Remember, the MLM MACHINE method is a quick and easy way for you to start a small mailorder business. You make money doing this while you are generating free MLM leads. In this way, you can continue to earn extra cash selling

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the mailorder items until you have filled your second level. Yes, it will take a little effort on your part - but isn't this fun and exciting? You will have something to wake up in the morning and look forward to! I can't tell you how many qualified leads that you will have to generate before your second level is filled. But remember, you are earning profits while you are doing this. And also remember that your newly sponsored people also will be promoting leads just like you are doing. Therefore, you will need to generate only a fraction of the total leads needed to fill in your second level.

It probably will work something like this. Let's say you are promoting and selling the MLM MACHINE and that you have enrolled into one MLM program. Before long, you will get some MLM leads for your MLM program, so you will want to have a stock of this literature on hand to send out. Right? Sure enough, after sending out a few MLM packages, you will have sponsored one or two people into your MLM program. At this point in time, you have an obligation to yourself to complete your first level, and also to help the first couple people that you have signed up. Since you are still promoting the MLM MACHINE, you are still getting good qualified leads. Right? So you probably divide them up between your own needs and send out a few for your first level people. Also, during this time, your upline will most likely be supplying you with leads that he is generating! So your upline sponsor is helping you, you are helping yourself, and you are helping your downline - all at once. That's how this program works! We all help each other to get started.

So how many MLM MACHINES do you need to sell? To be on the safe side, I would like for you to think in terms of selling 20 to 50 MLM MACHINE packages. This is to make sure that your second level is filled. That way, by using CROSS POLLINATION techniques, you will probably sponsor at least 20 to 50 people needed to fill in your second level. But that's really up to you! You decide - it's only your future that we are talking about!

What About Multiple MLM Programs? What if you are in several MLM programs? How does this work? Well, first of all, congratulations! Great! You have made a very wise decision in getting into several MLM programs at the same time! Now, your earnings can be multiplied by the number of MLM programs that you are participating in . . . with the same effort. In other words, if you are promoting two MLM programs, and if you sell let's say, 50 MLM MACHINES, you will probably sponsor twice the number of new distributors. That's right! Fifty for each program! In this case, you have a surplus of 40 on your second level, right? Isn't this great? You now make twice the money for the same effort.

How Do You Sell 20 To 50 MLM MACHINES?

On the surface, that sounds like it might be a lot. However, help me think this through. Let's say you want to start on a shoe string budget. That's the worse

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case, isn't it? You can start just by circulating postcards and selling the report, "How To Make Money With Postcards." If you have the funds to advertise right away, great! But if you don't, start with postcards. Or just use the "mini-flyer." That will cost you about 1/2 cents or so per flyer. Set a goal to circulate a 1,000 of these. Yes, I know that takes a little work. But, just think how much you probably will earn per hour! OK. You pay \$5 to \$15 to get 1,000 of your "mini-flyers" printed (250 sheets). You circulate the 1,000 locally and sure enough, you get a few orders for the \$2 report. Let's say you only get 20 orders. That's only 2%! Oh well, let's not make this too easy. So you get orders worth $\$2 \times 20 = \40 . Let's say only a couple people buy the MLM MACHINE. That's another $2 \times \$25 = \50.00 or a total of $\$50 + \$40 = \$90$. Not much, but not bad. It will cost you \$10 or \$20 or so to fulfill your orders, so you will have made a profit of at least \$70. Now, "buy into" some of the other reprintable reports. And circulate more postcards again! This time you will make more money than before ... won't you? Frankly, when I speak of starting your business on a shoe string budget, I am really thinking of at least two or three hundred dollars. Most people can raise that kind of money . . . don't you agree? If you can afford at least \$200 to start, get into at least one MLM program, and buy several reprintable reports. Let's assume that you buy the MLM MACHINE set of reports an at least one other mailorder program, and get into at least one MLM program. You also have 5,000 postcards or "mini-flyers" printed, and you circulate them locally with no postage cost. You can do all that with two or three hundred dollars. Can't you? Now you have a good chance to sell 10 or 20 MLM MACHINE reports quickly along with a few of your mailorder programs and signing up several people in your MLM program. Don't you? Now take your profits and re-invest them so you can multiply your business. If you can sell only 15 MLM MACHINES with this effort, and then double your business each time, the number of MLM MACHINES that you sell could look something like this:

$15 \times 2 \times 2 = 60$ MLM MACHINE packages!

That's close enough for guess work. The point is that if you take your profits and re-invest them, you can multiply your sales. Is it reasonable for you to be able to sell 50 MLM MACHINE packages? You bet it is . . . particularly if you promote locally.

Let me share some figures with you. If you analyze the "Business Opportunity" type magazines, you will find that there are magazines that have about 200,000 subscribers. That tells me that in any given day of the year, there are at least 200,000 people who are looking for a business opportunity. Actually there are a lot more because there are many magazines of this type. I estimate something more like 500,000. Now how many people do you suppose are already active in MLM programs? Well, I have gone to the library, and in one thick directory, I have found that at least one Name List Broker offers a listing of over 6,000 MLM companies. That's companies - not distributors! Many of these MLM companies have over

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100,000 distributors! Therefore, when I see estimates that there are over 5,000,000 MLM distributors, I believe it. 5 million! Since the population of USA is about 250 million roughly, that tells me that 1 out of 50 people are involved in MLM. Well, not quite, since many people are involved with several programs. Let's be on the safe side and say 1 out of 250 are involved with MLM. That sounds about right.

That means that there are millions of people who are interested in business opportunities, but they are not looking in magazines for business opportunities. Are they? That means that if you circulate postcards **LOCALLY** - you and your downline have virtually an unlimited number of people that could be interested in your offers . . . doesn't it? And you can reach these people with little or no competition! That's why you and your downline can be sure of finding a lot of people right in your own back yard! That doesn't mean to say you should not advertise nationally. But be aware the **HUGE** supply of leads is from strangers right in your own neighborhood! The reason that I am making this point is to show you that anyone can make money with this program. You don't have to be a "big mailorder dealer" to make this program work for you. Just follow the techniques in this and other reports in the **MLM MACHINE** series!

12 Guaranteed Ways To Keep Your Downline Alive, Happy, Vigorously Active... And buying!

Master these concepts and it is time for you and your downline to Celebrate

This report, "12 Guaranteed Ways To Keep Your Downline Alive, Happy, Vigorously Active . . . And Buying" is one of 15 reports contained in our set of reports, "How To Build A Lean, Mean MLM MACHINE . . . By Mail." If you have not purchased the entire set of reprintable reports, I strongly urge you to do so now so that you can take full advantage of this program.

If you have been reading and studying the other reports in this series, you will have come to a very important conclusion. You will want to build your MLM organization **DEEP**! But let's review this just in case it is not crystal clear in your mind. It is so important for you to understand this principle. The very back bone of your succeeding with a MLM program is that you are able to multiple your efforts through others. That way, your organization multiplies such that your 3rd, 4th 5th and so on levels attain a large number of people in your organization - or down-line.

You will always earn the large money in your deep levels. In fact, a lot of MLM programs are geared so you will make more on your deep levels (per person) than what you will earn on your first level. In our report, "The Home Operated Wealth Builder's Program," we show an example how this can work. In that example, if you were to recruit 1,000 members on your first level, you earn about \$3,000 per month. Conversely, if these same 1,000 people were on your 3rd level,

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you would earn about \$23,000 a month. That's a big difference. So you see there are two very important reasons to build your downline deep. First, that is where the large number of people will be. The second reason is that many MLM programs pay much more per person in your deep levels.

The "Secret Key" is building a deep organization is fairly simple. You must **HELP YOUR FIRST LEVEL, AND THEN TEACH THEM HOW TO HELP THEIR FIRST LEVEL!** In other words, you must have a system that is 100% duplicative. To do this, you must first have a method that works for you. You then show your first level how to replicate your method. And lastly, but most important, **YOU MUST BE ABLE TO TEACH YOUR FIRST LEVEL TO TEACH THEIR FIRST LEVEL!** To look at this another way, you must be able to **HELP** your first level and show them how to help their first level of downline. Just like I am doing. And just like I want you to do. Let's be perfectly honest with each other. If I can help you, and we both make money, then I am motivated to help you. Right? That's how MLM works! When it's done properly, MLM is a beautiful system. You don't have to sell the world! Only a few in your first level.

Now before you read further, I want you to agree with what we have said so far. If you want to build a large MLM organization, you do so by primarily working with your first level of people. Agree? Just imagine. Let's say you start with 10 people. If your MLM program has 5 levels, it can grow $10 \times 10 \times 10 \times 10 \times 10 = 100,000$ on your 5th level! Now admittedly, that is a perfect mathematical model, and it is unlikely that will happen and we both know it. But, if you have a good system that really can be implemented, you probably can get close! Let's talk a little more about how many people you should sponsor on your first level. You decide, but you should use this as a guideline: "Sponsor only those that you can help." In this program, "help" is more or less defined as your capability to generate leads and make some mailings for your first level of downline. In other words, if you follow the techniques in this program, you will be able to generate many good qualified leads that you will want to pass (sell) on to your downline. If you have some up front cash to advertise or whatever, you may be able to help more than 10 people. On the other hand, if you are truly starting on a shoestring, maybe you can help only a few. But I find it hard to believe that if you use this program, you can't help at least 10 people. But you decide. The objective is simple. Decide how many **ACTIVE** people you want on your first level, and then go for it!

When I say **ACTIVE**, let me explain. You will no doubt sign up people that will not do anything! When that happens, don't be discouraged. Instead, you need to find a replacement that will be active. If you set your goal to have 10 active people in your first level, don't stop until you have met your goals. Remember that as soon as you sign up one or two people in your first level, you will want to help these people as well as filling out your own first level. During this period, your upline also will be available to help you! Therefore, your upline is

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helping you, you are helping yourself, and you are helping your downline - all at the same time. Take this into consideration before you commit to how many people you want to build in your first level.

You also should set a goal in your mind for how long it will take you to fill in your first level. Rome was not built in a day, so give yourself enough time. The important thing is to stick to it. If you stay with it long enough, it will blossom out for you.

And lastly, keep your troops motivated! This program will work for you and your downline! It will take some time and effort on everyone's part! Anything worthwhile seldom comes totally free. But if you follow the steps in this program, your chances of success are very high. It is really quite simple. If you make money quickly, I think you will be motivated to work this program. Won't you? And so will the people that you sign up! So make sure you "lean" on your upline sponsor, and you in return provide a little assistance to your downline. We all help each other to make this work for all of us.

Enough said. Now how do you keep you and your people happy and motivated? Well, there are a few basic rules that you need to know and conform to.

1. Promote Forced Payment MLM Plans

There are all kinds of MLM programs. In many of them, you can join and stay active by just paying your yearly organizational fee. I believe in participating in MLM programs in which everyone is more or less forced to buy something every month. That way, you are more or less guaranteed that all members in your downline are contributing to your income. You have to look at this from a practical point of view! For example, I know some people that have over 1,000 people in their organization, but no one is buying hardly anything! No one is making any money! Just wasting it on recruiting new members! That just doesn't make any sense. Yes, I realize that it is tougher to recruit people into a program that requires you to pay, say \$50 a month. But then again, you don't have to recruit the world! Only ten will do very nicely! Wouldn't it?

2. Sell Them The MLM MACHINE Reports

At all costs, make sure that your downline members buy a complete set of the MLM MACHINE reports. These reports automatically train your downline. They just about insure them a way of making money. In this way, you are automatically teaching them how to duplicate what you are doing. And isn't that what this is all about? You bet it is!

3. Teach Your First Level To Concentrate On Local Promotion

The quickest way to promote MLM programs is locally. Why? Because you can circulate postcards and mini-flyers immediately. You can place ads in local newspapers that will be circulated within the week. You want your first level of people to get instant gratification. No waiting! Get them started immediately so

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they can taste sweet success immediately. There is nothing quite like getting money in your mail box that builds confidence.

True, national advertising is excellent and you may want to get active in this right away also. But it takes time. Also, you have the risk of competition. With local areas, it is a good bet that few people, if any, have seen the postcard offer. And there are millions of people! This is how the thin edge of MLM and mailorder merge together very subtly. Remember, you should try to sign up only 10 or so people in your first level. In your own "Warm Inner Circle" and in your own neighborhood, you must have 10 people that you can sign up. Don't you? Circulate the postcards and mini-flyers! It's easy, fast and inexpensive!

4. Encourage Them To Participate In Several Mailorder Programs

Look, the more mailorder programs that you and your downline participate in, the more money you both will earn. The stronger you become financially, the better you will be able to carry on and help your downline. By other "mailorder programs," I am suggesting that you buy and resell as many reprintable reports as you can afford, and "buy into" some of the mailorder distributorships that you can resell. When you sell the MLM MACHINE, you can then expect to earn a lot of extra profits! You can then expand again.

Just imagine if you had bought into, let's say, 35 or so offerings! If you have 35 offerings and you sell 100 MLM MACHINES, you probably stand to sell $35 \times 100 = 3,500$ orders. Why? Because your name will probably remain on the MLM MACHINE reports until someone buys from you! And if you make a \$10 profit on the average on each order, that is \$35,000! Isn't it? With that kind of up front money, you can do an awful lot of promotion to help the 10 people in your first level. You could almost build your second level with that kind of promotion! Couldn't you?

5. Encourage Your Downline Members To Participate In Two Or Three MLM Programs At The Same Time.

We talk a lot about diversification in a later report, but let me just summarize some of the benefits for you and your downline. By using the MLM MACHINE to promote your MLM company, your efforts can be multiplied if you offer more than one MLM company. This is only true if you have a coherent plan to market more than one MLM program at the same time. And you do! I am not advocating that you become a "MLM junkie" just to have several companies. But if your MLM companies compliment each other, you have a chance to multiply your earnings. Therefore, if you can afford to handle two or three MLM companies, the MLM MACHINE will maximize your profits for just about the same effort!

6. Sell Your MLM Leads To Your First Level

This is your first responsibility to your first level. And it is the most important thing to teach your people to do for their people. It is not that hard to do, and you make money doing it! Isn't this just a great program? This concept is so

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important that we have dedicated an entire report on the subject, "How To Build Your Downline Deep By Selling Leads . . . And Literature." Just in case you don't have that report, here is a summary.

If you have used any of the promotional methods that are described in this program, you can surely generate more leads than what you will need in order to sign up your first level of 10 active people. When that happens, it is time for you to concentrate on helping and teaching your new people. The fastest and best way to do this is to simply offer the surplus leads that you have generated to your newly recruited people.

Now let's review how these extra leads might be generated. If you have studied the complete set of reports in the MLM MACHINE, you will have found many promotional ways that you probably are using. Perhaps you have circulated the mini-flyers, sent a few postcards to your "Warm Inner Circle," and maybe you have placed some classified ads or small space ads nationally. Before you know it, you have sold a few MLM MACHINE packages, and you will have built your first level of distributors. But the MLM MACHINE reports keep getting copied and recopied. With it, the request to send literature out (with payments) keep coming . . . and coming!

Now you are in a perfect position to really help your downline and build a deep organization! Remember, if you follow my plan, people are paying you to send to them your sales literature, and you can sell these leads to your downline. Can't you? But don't get greedy! Remember our example MLM program in which you could earn \$27.00 for each person that you personally recruit? Stop and think now!

In this example, you will make your big money on your third level! So instead of recruiting this person for yourself, you simply sell this lead to your downline members for only \$1.00! You help your downline members, and you build your third level where the big continuous money is! Everyone wins! Don't they? Is this duplicative or what? You bet it is!

If you look at the reports #11, #12 & #13 in the MLM MACHINE reports, you find other offers where the person will send in at least a SASE (Self Addressed Stamped Envelope) with extra cash or stamps. If a person does this, do you think he is anxious to buy? Remember, this person already has the MLM MACHINE reports, and he knows what this program is all about. He sure is interested. Is this a good quality lead? It doesn't get any better, does it? OK. You now have a fist full of mailorder type "inquiries." All these inquiries are self addressed stamped envelopes with an extra postage stamp! What is this lead worth? Well, some of these inquiries want information on reprintable reports, mailorder dealerships and some want information on MLM programs. Look, I don't mind making money the easy way. For those that want information on the reprintable reports and

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mailorder dealerships, I send them out myself! If I have a new person that is struggling, I might as a personal favor sell him a few at \$1 each. What the heck. That more than pays for my advertising costs. And you should consider handling your leads this way too!

But what about the leads wanting MLM program information? I ALWAYS offer these to my downline at \$1 each and also offer to mail the literature for them! That way, they build their downline. And that's exactly what I want to happen. And you should too! In some MLM programs, the literature and video tapes are very expensive to send out at your cost. Don't do it! I mean, don't do it at your cost. But do send the complete package. Here's how. Let's say you have someone that is interested in your MLM program and the complete package of promotional material of color literature and video tapes, etc. will cost you \$20.00. Here is where cost "would-be" MLM mailorder types fall short. Instead of sending out everything like they should, they make their own poor copies and then tell the person if they are interested they will send out the video. Or they tell the person to send \$10 for the video. How do you think the prospective distributor feels? What does he think? He wonders if this is how he is supposed to sell this wonderful MLM program. Not a good impression.

Instead, be totally up front with these people. Remember, you only need to sign up 10 or so people in your first level, so you can be a little bit "picky." We make no bones about that in our advertisements. For the inexpensive mailings, we ask for only \$1.00. For the expensive packages, we simply explain that we want to make sure he gets the complete promotional package, but he has to pay for it for reviewing. If he is not interested, he can return it in good condition, and we'll refund his money less the postage and handling costs. We only ask that we get paid for the postage and handling! That way, you can be assured that your prospective distributor is getting the complete first class package, and you don't lose money sending it to him.

Now, I realize that this person may instead send off for similar literature from someone else that is sending it to him free. But how long do you suppose this person will continue to do this before he realizes he can go broke doing this. And how is he supposed to duplicate this method? I sure don't want to lose money doing it this way. And I sure can't show you, my downline, how to do it without losing money. You can't and don't want to personally sponsor everyone that is possible. Instead, you want 10 good active people. That way, you can be selective. In fact, if the truth were known, the people that you sponsor on your first level will have a tremendous advantage. Won't they? Isn't this worth quite a bit? If you have a sponsor that is actively promoting this program, he will be able to help you immediately with hot, fresh, qualified leads. People that already have these reports. Now compare that to sending off to one of those "lone souls" that offer free, second rate literature. The point that I am trying to make is that you

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offer a true value to all people that you sponsor. You have a first class program. Don't give your services away free. Earn while you learn. And teach others, via the MLM MACHINE, to do what you do!

7. Stay In Touch With Your First Level Of Downline

After you sign up someone on your first level, stay in touch with him by letter or phone to make sure he is happy, active and prospering. You want to do this for two reasons. First of all, your life line in MLM is to make sure that your first level of people have sponsored their fair share of 10 or so active people. If they are having trouble, help them out. Feed them leads and offer advice on what worked for you. In other words, share your success methods.

The second reason is that if he has by chance become inactive, you must replace him with someone new. Your job is to make sure that you keep a vigorous first level of distributors that do the same as you. If someone becomes inactive, or worst yet, never starts, don't fret. Some people just never will do anything. If that's the case, forget him and replace him. Tough line, but do it! We're only talking about your earnings and your fortune!

8. Teach Your Downline The Magic Of Using Cross Pollination

This is a powerful technique! Use it to the fullest, and teach your downline how to use it! This builds a "perpetual motion machine" into your organization. Make sure you read and study our report "How To Use Amazing CROSS POLLINATION Methods To Earn Up Front Cash While Building An Explosive, Infinitely Deep Downline." Enough Said!

9. Sell Your Upline!

This program not only can be used to promote the MLM program advertised in the MLM MACHINE reports, but it is also very effective in promoting your own personal other MLM programs. In our report, "30 Choice" MLM Programs Automatically Promoted For You," there is space to advertise other MLM programs that you may be participating in. That being the case, you can add your own programs as well as promoting ours.

If you have other MLM programs, you might have an opportunity to enroll your existing upline members in the programs described in the MLM MACHINE. What would happen if you go to your "Big Time" upline and explain the MLM MACHINE to him? Just think about this. The MLM MACHINE provides a vehicle to help you promote your program(s) that he has sponsored you in. Do you think he will be in favor of this? Of course! But now what would happen if you interested him in some of the programs that you are in and he isn't? Do you think you might be able to sign him up in some of your programs? Maybe. And if you do, how many people do you think he might be able to expose to YOUR new programs? A lot I bet! Well, it is worth a try. Isn't it? If you can pull this off, you can get an awful lot of people recruited in a big hurry!

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10. Offer Cooperative Advertising

Let's say you now have 10 strong active people in your first level. Wouldn't it be nice if they collectively went together and advertised? If each person threw in a few bucks, they could generate a lot of leads for them and their downline. Couldn't they? Well, it just takes a little bit of coordination on your part. After all, you know who your first level of people are, and they don't necessarily know each other. It is up to you to make this suggestion to your people and it's easy to do. Why not try? They will probably appreciate your efforts. After all, they stand to earn a lot more money if they do so. But you will have to put it together.

11. Discreetly Help Build Your First Level's Downline

If you become active in this program, you will have the opportunity to sign up more people than what you need in your first level. It works something like this. All of a sudden you begin to make some serious money. You are generating more extra leads. Your wife (or spouse), kids and friends spread the word. You now are approached by all kinds of people who want to "get in this deal." And, oh yes, some of that literature that you sent out months ago now start coming in with people that want to join. Well, here's your chance to help a few struggling people on your first level.

Instead of signing these new people in your first level, have the application sent to you and assign these to a few select people who really need a little help. Now be careful. You can't be expected to build your first level's organization. But you can help a little when you can. Remember, everything that you do must be 100% duplicative so don't make claims that you can't back up. Don't make claims about things only you can do, and your downline can't do.

12. Encourage Your First Level To Participate In MLM Training Programs

Most MLM companies have methods available to help train you how to promote their products. If these are available, by all means buy them, attend the seminars and the like. They are generally well worth the money and time. Better yet, in some MLM programs, you can earn extra profits when your downline participates in this training program. by all means, take advantage of these fine programs. It will not only help you, but it will help your downline. And you can earn extra profits! Good deal!

Summary

If you think about what has been said in this report, it is truly amazing. Most people try to "fight" the basic MLM fundamental truth. Don't try to recruit the whole world! Only a few! That's not really that hard. Not when you use this program. Is it? Just imagine. You sell 10 or so MLM MACHINE packages and then you recruit only 10 people. And they do the same. Really, is that very difficult? I don't think so. do you? If you follow the simple steps in this program, you too could be

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one of the elite 3% who may earn over \$100,000! That wouldn't be too hard to take, would it?

Now I can try to convince you until I'm "blue in the face." If you're one of those people that won't try, I can't do a thing to help you. But if you are one of the few that will seize this opportunity and run with it, then this program can work for you. Now's the time! One thing is for sure. The earlier you get into this program, the more opportunity you will have. If you have the complete set of all 15 MLM MACHINE reports, you have in your possession a remarkable plan. Use it to your advantage! Go for it! How much can you really lose? A lot if you don't act now! So what are you waiting for?

How To Use Amazing Cross Pollination Methods to Earn Up Front Cash While Building an Explosive, Infinitely Deep Downline!

This report, "How To Use Amazing Cross Pollination Methods To Earn Up Front Cash While Building An Explosive, Infinitely Deep Downline!" is one of fifteen reports offered in our plan, "How To Build A Lean, Mean MLM Machine . . . By Mail!" If you have not purchased the entire set of reprintable reports, I strongly urge you to do so now so you can take full advantage of this program.

The concept of "Cross Pollination" is a technique that Videx has developed. It will maximize the growth and profits of your business while keeping your efforts and up front costs to a minimum. Cross Pollination is a marketing concept that smoothly intergrates the principles of MLM, mailorder techniques, reprintable reports offerings, and cooperation between you and your downline into one coherent plan. With it comes explosive growth potential for you. Here is how it works.

The "core element" of CROSS POLLINATION is the set of MLM MACHINE reports. The MLM MACHINE reports can be bought, reprinted and then resold. Within the MLM MACHINE reports, there are 15 sets of additional reprintable reports that also can be purchased, duplicated and resold. Additional mailorder dealership offers are also described in the MLM MACHINE, and you can purchase these and promote them. That way, if you partake in any of these offers, you may replace the existing name with your name, and your name will then be circulated indefinitely. Also embedded into the MLM MACHINE are 30 "Choice" MLM programs including five "Highly Recommended" ones. If you participate in any of these MLM programs you will be automatically promoting your MLM program when the MLM MACHINE reports are duplicated and circulated to others. In summary, the MLM MACHINE is a "training manual" and your "catalog" that automatically is printed and circulated by others for you.

By using the MLM MACHINE reports, one can start a lucrative mailorder business without spending years of research and minimizing mistakes by trial

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and error. In other words, all 95 programs offered within the MLM MACHINE reports are known to be excellent mailorder items that can be sold profitably. In short, the MLM MACHINE is a complete “turn key” mailorder program. Furthermore, it functions as a complete “home study” training mailorder manual with easy step by step instructions on how to succeed. It also provides instructions and training for your MLM distributors who you may have recruited. And lastly, but very important, it generates good quality leads for your MLM programs!

Since the primary purpose of the MLM MACHINE is to generate quality MLM leads, it provides a unique and effective method to do that. As mentioned, if you participate in a MLM program, you will generate MLM leads when you sell the MLM MACHINE. Just as important, you will be shown how to generate MLM leads in your local neighborhood in a fast and cost effective manner! If you and your downline follow this technique, you will be “tapping into” the 200 million plus people that are normally NOT exposed to the “Opportunity” type magazines! Understand that this can be done by LOCAL promotion mailorder methods. That way, the MLM MACHINE uses the best part of MLM and mailorder techniques. In other words, you get the best of both worlds!

There may be some of you reading this that would like to pursue only the mailorder part of this business. That is fine! You have a complete mailorder business package and you can proceed directly. In fact, you can operate this business just about off your kitchen table. If you can circulate and mail a few postcards you can start immediately. You also can place inexpensive classified ads and small space advertisements and you will be flooded with inquiries and orders. However, understand that if you are not promoting MLM programs, the person that sold you this package probably is. And he can profit handsomely through your efforts because he will most likely be generating leads for his MLM program(s). Just so you know what you are missing. In other words, every time you sell a MLM MACHINE package, you are automatically promoting and generating MLM leads.

I believe you will agree that by using our marketing methods explained in our MLM MACHINE reports, it is easy to promote and sell our package, “How To Build A Lean, Mean MLM Machine . . . By Mail!” For example, you can easily start by circulating a few mini-flyers or by mailing a few postcards locally that promote the reprintable plan, “How To Make Money With Postcards! 65 Easy Postage FREE Moneymaking Methods Revealed!” As you probably know, you can sell that report for only \$2. You should then include a copy of the circular that promotes the entire set of reports, “How To Build A Lean, Mean MLM Machine . . . By Mail!” Therefore, many of the people that buy the postcard report will then buy the MLM MACHINE set of reports for \$25. In both cases, you simply copy the reports and send them to your customers.

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Included in the MLM MACHINE reports are no less than 95 additional offers that you and your customers can buy and then promote. Namely, there are 30 MLM programs, 50 mailorder dealerships and 15 sets of reprintable reports. You can “buy into” any of the offers made and you can then in return make money promoting them. And your customers can do the same.

The 95 selected offers have been chosen carefully. We want to make sure that they all “fit into” the MLM MACHINE marketing plan philosophy and, of course, they must meet our standards. This actually took us over a year of investigation with many “midnight” hours of pouring over many hundreds of offers that are available. None of these offers are originated by Videx. That’s good and bad. The bad part is that Videx has no control over these “outside” companies. That is why we want everyone to register in the MLM MACHINE program so we can maintain the integrity of this program. The good part is you are not dependent on Videx. That is, if Videx goes out of business for any reason, you have the publication rights to the reprintable reports, and you will be dealing directly with all the other “outside” companies.

If you elect to participate in any of the 95 offers, there is a place in the MLM MACHINE reports for you to put your name and address. That way interested parties can write to you for more information. These people will then send to you either money or stamps that will more than cover your costs to send out the literature. In that way, you will earn a little bit for getting and handling the leads. We want to make sure that you don’t lose money just sending out literature! Are you with me so far? Let’s review.

You can first start out easily by simply circulating a few mini-flyers or by sending out a few postcards locally that offers the plan, “How To Make Money With Postcards! 65 Easy Postage FREE Moneymaking Methods Revealed.” You then probably will get a bunch of \$2 orders for this report. Next, you copy the report, and send it to your customers. Also, you include a copy of the circular, “How To Build A Lean, Mean MLM Machine. . . By Mail!” Most likely, you will then get a few repeat orders for the MLM MACHINE reports. Not a bad way to make a few extra bucks part time! But you can make a lot more than just a few extra bucks with this plan. A whole bunch more! How? By participating in one or more of the 95 offers! Here’s how.

Let’s say that you “buy into” only one of the programs to start. Pick the one or more that you like and can afford. Now what I am about to explain to you is absolutely remarkable! It’s easy to use, but somewhat complicated to understand. This is extremely important for you to understand, so take your time and reread this as many times as you like. **IMPORTANT! Study This Carefully**

After you “buy into” one or more of the 95 opportunity offers, you can then replace the “source” name with yours. Therefore, when you sell the MLM MA-

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CHINE reports, you will be making your own offer to people that buy the reports. Your name will remain on the reprintable report until someone replaces your name with his. This normally will be your customer! Therefore, usually, your name will continue to be reproduced until a customer buys from you!

By selling the MLM MACHINE reports that include your offers, the quantity of orders that you can expect to get is a MINIMUM NUMBER OF ORDERS THAT EQUALS THE NUMBER OF OFFERS YOU MAKE TIMES THE NUMBER OF MLM MACHINE REPORTS THAT YOU SELL! Now that's a mouth full! Here's how it works. Let's say you have one offer and you sell 10 MLM MACHINE reports. In that case, you probably should get a minimum of 1 offer times 10 reports = 10 orders. If instead, you have 10 offers and you again sell 10 MLM MACHINE reports, you should probably get a minimum of $10 \times 10 = 100$ orders. Am I saying that you will sell everything to everyone? Absolutely not! Remember that your name will continue to be reprinted until someone buys from you! Now don't get me wrong. No system is perfect and that includes this one. But the facts are that it is possible - and it is very probable! But nothing like this can be absolutely guaranteed!

Let's look at the mathematics for the simple case where you sell 10 MLM MACHINES and you have only one offer. Let's assume for discussion that every person that you sell to will do likewise and see what happens. Now let's also assume ALL the people that you have sold the MLM MACHINE have bought your offer. Let's face it - that's very unlikely! But if they did, you would have received $10 \times 1 = 10$ orders! Right?

READ THIS CAREFULLY!

As unlikely as the above example may sound, that is PROBABLY YOUR WORST CASE! What? Well, let's now assume that not one single person bought your offer! Oops - is this working? Well, let's continue. You do have 10 people who have bought the MLM MACHINE. Right? Remember that these MLM MACHINE reports have your name after your offer(s) printed in the reports for the offers that you are promoting. OK, now let's assume that your customers have now, in turn, sold 10 MLM MACHINE reports each to 10 other people. That means that there are now $10 \times 10 + 100$ people who have purchased the MLM MACHINE. Are you with me? Understand that ALL 100 MLM MACHINE reports have your name printed in them that explains YOUR offer(s)! Do you see what is happening? The longer you have to wait to get an order, the more exposure you are getting! You now have 100 MLM MACHINES that have your offer printed in them, and THEY WILL REMAIN THERE UNTIL A NEW CUSTOMER OF YOURS BUYS FROM YOU! Now stop and think a minute. Once your name is printed and circulated, it will stay there until someone replaces your name with his. Can you see that you now have an excellent opportunity to get at least 100 orders? Will all 100 who bought the MLM MACHINE reports order from you? No, that's unlikely. As before, not all

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100 people will order, but now your offer gets multiplied again . . . and again . . . and again! You may have your one offer reprinted and circulated 1,000's of times! And remember, your name will remain on these reports until someone replaces your name with theirs! And they generally will become your customer.

What do you suppose would happen if you had started with 10 offers instead of just one? You got it! Everything is multiplied by 10 right from the get-go. If you like to think big, do it! Just think what would happen if you "buy into" 10 offers and you sell 100 MLM MACHINE reports? Is that right? At least $10 \times 100 = 1,000$ orders? Well, probably. But realize there are no guarantees. Nothing is perfect . . . and that includes this plan. There are some reasons that this plan will not produce perfect results. You need to understand them, so this plan will meet with your expectations. First, there will be a few people that will buy the MLM MACHINE but will not promote it. So be it. There will be other people that buy the MLM MACHINE, but they already have purchased your offer from another source. In that case, they will replace your name with theirs without buying anything from you. But there will be plenty that buy from you and plenty that will publish these reports and resell them. Don't you think so? I think so.

Since this or no other plan is "perfect" it is important for you to offer more than one offer so your chances are improved dramatically. Other than those two reasons we described, I can't think of any reason that you will not succeed. Can you?

If you elect to participate in several MLM offers, you will have made a very wise choice. Why? Because as your offer gets printed and reprinted, you are generating leads that essentially go on for ever. By mixing a few MLM programs with a few mailorder offers, you get to make cash money with your mailorder offers while you are building your down-line! And as you see, the MLM MACHINE reports can generate leads from an infinitely deep level! There is no limit to the depth of levels that you penetrate! You could be getting leads from the MLM machine reports that have been printed 10 or more times!

Let me explain a secret. I have seen the same quality reprintable report(s) being sold and resold for years and years . . . sometimes decades! The reason for this is that mailorder dealers just "love" to sell good quality, reprintable reports. Why? They earn a large profit markup and they seldom get refund requests!

And remember, when YOU sell a MLM MACHINE set of reports, your name essentially remains on these reports until you get an order from someone else! What a terrific way to build your MLM network and help your downline with highly qualified leads. And from people who send to you money or stamps to pay for the mailing.

Can you see now how this plan works? Do you understand why it is important for you to get involved with at least one offer? Do you see why many offers

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will multiply your business? That is the reason you should do whatever it takes to get into as many programs as you can right from the beginning. Look at it as a business investment! If you could commit to a few \$100 investments, this would take you a long way - fast! If you want to start on a shoe string budget, you can certainly do so by just selling reports via postcards. On the other hand, if you are looking for a business to invest in and get it up and running quickly, that options open to you. Let's discuss that idea a little bit more.

If you are serious about starting and operating your own, easy to run business, you have probably investigated into many dealerships, franchises and the like. If you want to kick if off so you can operate it full time, you have probably concluded that it will take you a few thousand dollars and a lot of risk. Now consider this opportunity. Let's say you "buy into" at least 10 programs. It makes sense to get involved with at least 2 or 3 MLM programs since they can grow forever. If you raise, say 1 or 2 thousand dollars, you can be in several MLM programs and several of the other 95 offers. Your initial investment could pay for your monthly MLM fees and carry you for, say several months. Therefore, with only, say \$2,000, you could be going in high gear! Couldn't you? And building a secure lifetime income. One that will grow month after month! That's something to think about. Isn't it? But it's up to you! It's only your future that we're talking about. You decide. But I'll tell you something. You have to try.

OK. Let's get to the "bone cutting" part of this report. How do you generate surplus MLM leads and make money doing it?

1. Circulate Mini-flyers and Mail Postcards. . .By using mini-flyers and postcards, you can very quickly generate orders for the reports, "How To Make Money with Postcards." In that report there is quite a bit of discussion about MLM and so forth. Therefore, your readers will be enticed to learn more and buy more reports from you and consider your MLM programs.

2. Include a Brochure on the MLM MACHINE with your report orders. You will then sell the complete set of reports for \$25.00 to your customers.

3. Buy and resell the additional sets of reprintable reports. These are very informative and very profitable! You become the publisher and copy these for pennies and sell them for \$\$\$'s!

4. Buy and promote the Mailorder Dealership programs. These programs require no inventory and are also very instructive and profitable. Also, they very often offer even more programs for your consideration.

5. Enroll into one or more of our "Highly Recommended" MLM programs. That way, you can build a secure, lifetime income.

6. Sell your surplus leads to your First Level . . . After you sponsor your first level, the leads probably will keep coming in. Sell these to your first level people.

7. Sell your literature!. . .The object is not to make a lot of money doing this,

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buy you should make a little for your time and effort. Don't you agree? If the promotional package costs you, say \$5 plus \$1 for postage, charge a couple extra bucks. After all, you are doing all the work.

8. Continue to promote and sell the MLM MACHINE set of reports. After you have sponsored your first level, don't stop! Continue to promote the MLM Machine for a while. Remember how CROSS POLLINATION works? You will continue to get leads until your name is replaced? Sell 50 MLM MACHINE reports, and it is just a matter of time that you will have probably sponsored 50 people. Sell your leads as you generate them so your second level will be built. Once you "are on a roll," consider placing national ads since these will generate tons of fresh leads.

9. Ask your upline for extra Leads. . . Isn't that what uplines are for? If your upline is following this method, he probably will have a few extra leads to help you out. If he is selling these leads for \$1, buy as many as you can. Explain to your downline where you are getting these leads and it will cost him an additional for your time and effort. What the heck. It's just a matter of principle. In my opinion, you (and I) should earn at least something for your time and effort, shouldn't you? And a good qualified lead that is being handled for him is worth every penny of \$2.

10. More on CROSS POLLINATION . . . Let's say that your organization is growing nicely and you have, say 200 people in it. These 200 people are into various combinations of the 95 offers made in this program. Now don't you think these 200 people would like to promote their programs to each other? What better potential customers and distributors can you possibly find?

Well, you can help and make some nice money doing it. What would happen if you were to make an offer to your 200 people that went something like this. "I will send out a little blurb on you and your offers that you are promoting to the other 199 people in this program. That way, you get to sell each other. You can bargain and trade. I will be glad to make this 199 piece mailing to you for only \$30. That way, you can instantly expand your customer base and MLM organization." What a deal! Sounds good. . . doesn't it? By making this mailing, your own downline sells within itself. Everyone gets stronger and your organization multiplies with the same number of people. So what else is in this for you? Well, you have to do a little typing, printing and mailing to get 200 pieces mailed. But, you get $200 \times \$30 = \$6,000$. Wow! That should pay for your printing and postage. Shouldn't it? Well, you think about that. It's a nice way to help everyone - including yourself!

You will find below a form that you can use to let us know if you would like to have your name and offers sent out to at least 200 other people in this program. When we have at least 200 people, we'll drop you a note and let you know we're

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about ready and ask for your payment at that time. Just let us know now if you are interested. The person's name that is in the block below is the person that will handle this. If you want to do the mailing for your downline, just replace the name below with yours. Simple isn't it?

MLM Survival Guide Tips, Tricks & Traps Revealed

This report, "MLM Survival Guide" is one of fifteen reports contained in the series, "How To Build A Lean, Mean MLM MACHINE... By Mail! If you have not ordered the complete set, I urge you to do so immediately so you can take full advantage of this program.

The purpose of this guide is to provide a step-by-step procedure for starting, operating and optimizing a mailorder & MLM based business . . . and to do this without making serious mistakes along the way. There are volumes of books on this subject, so this guide will not attempt to "rehash" the "rose colored" views of these authors. Instead, this guide will show you a "lean, mean, cut-to-the-bone" quick and easy way to succeed in your business based upon the MLM MACHINE program. Also, you will be shown tips to use, tricks to be aware of, and traps to avoid.

Why Most People Fail In MLM

As explained in other MLM MACHINE reports, MLM is an explosive growth opportunity and it is here to stay. Like it or not! Let's review some MLM facts. There appears to be thousands of MLM companies. Some of these MLM companies are well established multimillion dollar companies, while most of them are not. Many people have become wealthy in MLM, but about 97% of the would be MLM'ers never make it! Therefore, before we go blindly into MLM, let's analyze why 97% of the would-be MLM'ers don't survive. Then let's see if the MLM MACHINE program minimizes or eliminates any of these problems. That makes sense, doesn't it? Let's bread down the problem in three categories.

1. MLM'er can't EFFECTIVELY recruit new members. 2. MLM'er can't keep his program going. It runs out of gas and dies a natural death. 3. MLM Company has serious problems.

I believe that sums it up. Either the MLM'er can't get his program started, can't keep it going, or the MLM company itself goes "belly up."

Why New MLM'er Can't Effectively Recruit New Members

1. The MLM Paradox According to Webster, the word "paradox" means, "something with seemingly contradictory qualities or phases." In MLM, there is a paradox that causes major confusion that must be understood and dealt with. Here is the problem. MLM companies by law cannot aggressively "push" the MLM opportunity as the main reason for joining their program. They must emphasize their products and services and explain the MLM opportunity as only a nice extra

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benefit. If they don't, all kinds of local, state and federal government officials will attack them. Therefore, they must be extremely careful about what their literature, advertising and promotional material states, what they say in meetings, etc. That is why we normally don't mention the MLM company name when we use examples in these reports. We do this just to avoid this kind of problem.

All MLM'ers are aware of the MLM "paradox" problem. Look, everyone knows, including the MLM companies and all the distributors, that the real reason that most people get involved with MLM is for the opportunity! Yet, the MLM literature and the MLM distributor cannot tell you this directly without crossing over the fine line of being illegal. In other words, it is illegal to promote a MLM company if the sole purpose is to earn profits by signing up new distributors with no regard to the usefulness of the product or service.

Where does this leave the new MLM distributor? Well, no one is officially allowed to tell him how to go out and aggressively recruit new members! Instead, he is always taught how to "promote" the product and then "as an after thought" explain the opportunity! All up standing MLM companies will follow this procedure. What's a fella to do?

TIP: Keep your lead generating methods separate from your MLM promotions. In other words, it is perfectly legal to promote an opportunity any way you want to as long as you don't tie this directly with a MLM company. That means that you can write your own advertisements, etc. and generate all kinds of leads. But when it comes time to discuss a particular MLM company, then use the official MLM literature, guidelines, etc. when presenting that particular company, products, and opportunities. In that way, you are making a clear distinction between "lead generating" and promoting a particular "MLM company opportunity."

TRICK Use the MLM MACHINE as your lead generating vehicle.

That's the "back bone" purpose of the MLM MACHINE program . . to generate MLM leads! The MLM MACHINE is not speaking for any particular MLM company. Instead, it provides a method of operating a mailorder "core" business that pays for itself while you automatically generate MLM leads. When it comes time to "promote" a particular MLM company, let your customers request literature for the MLM company(s) that interests them. Then use the official MLM literature.

TRAP Don't attempt to promote and advertise a particular MLM company's opportunity before explaining the product or service. This is in direct conflict with the MLM company's guidelines. Instead, find people who have a sincere interest in MLM opportunities, and then send to him the entire official MLM package.

2. MLM Concepts Are Way Too Complicated

When most people are first exposed to their first MLM opportunity, they are over powered by the complexity and newness of MLM concepts and terms. They

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are confused with all those new terms such as “Network, Downline, Upline, Organization, Levels, etc.” Then there is the specific MLM plan that is being presented that is always anything but simple. There is too much to absorb quickly.

Then there is much suspicion. Is this a pyramid scheme? Is it legal? They have probably never heard of the MLM company that adds to the problem. They find it hard to believe that they can really make the kind of money being discussed. They probably suspect the MLM distributor. And on and on. Right? So what happens? In most cases, nothing! They simply don’t sign up.

TIP Sell the MLM MACHINE first! That way, your potential candidate has been educated, and most of the initial education problems have been overcome.

TRICK Be Selective! Don’t try to sell your MLM program to everyone. Instead, spend your time selectively by writing, or phoning, if you like, to only those that have already bought the MLM MACHINE program.

TRAP If you have signed up with an upline person who is not promoting the MLM MACHINE program, you can have a problem. Don’t do it in the first place! If your upline is also promoting the MLM MACHINE program, he is in an excellent position to help you.

3. Potential MLM Member Can’t Decide Which MLM Company To Join

Put yourself in his shoes. If he has been investigating MLM companies, he is sure to be confused with all those offers and different companies. If he can’t decide, he just doesn’t sign up with any MLM company! Does He? Well, if you are using the MLM MACHINE package, and you are promoting only to those that have it and read it, you have a very important advantage, don’t you?

TIP There are literally thousands and thousands of MLM distributors who will jump at the chance to tell you which companies you should get into and promote. If you want more “advice” there are many books written by the “experts.” Understand one thing, every book and magazine article that you read and everyone that you talk to will almost assuredly have a “vested interest.” In other words, they are either openly or subtly trying to get you to sign up in their program. They will be quick to explain that there are “golden rules” and guidelines to follow. Some will tell you to stay away from “grown floor” opportunities since they are too risky. Others, will explain that this is where the big money is. Some will explain why matrix MLM programs are better than others - and visa versa. Some will adamantly advise you to be active in only one MLM company - “be loyal” is their motto. Others, try to sign you up in multiple companies. Still others have put together “Downline Building Teams,” and will invite you to join them. They do all the work (You simply send to them money). With all this “good” advice, what is correct?

I have noticed one thing about all these “good” advice sources. They never seem to ask me what my goals are. What is it that I want? How in the world can

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someone give another person advice before he understands that the objectives are? What is it that you really want? When? How much can you afford to spend? How much risk are you willing to take? What MLM programs and products do you like? Before we even think about selecting a MLM company, let's review the real world about MLM companies and opportunities.

Most new MLM companies never make it through their 2nd year. This is because they are not properly financed, don't really have a good offering, or the federal (Fed's) government shuts them down! The reason that the Fed's shut down some of these companies is that there is a lot of unscrupulous people in MLM, mailorder and in fact, all kinds of business.

MLM is no different from other companies that frankly have about the same survival length. New companies in any business, MLM or not, have a tough time getting through the first few years. The people that promote MLM companies never seem to get around to explaining the real facts to you. But you need to understand the dark side as well as the "rose colored glasses view." Sound scary? Well, if you were to invest \$5,000 to \$25,000 like some MLM companies would like you to do, yes it would be scary. The correct word is probably "foolish." Now let's take these facts and see if there is really a low risk, high potential waiting for you.

So, back to the question, "How do You Select the Right MLM Company?" This is like asking, "What Stock should I buy?" Brokers, advisement firms, and the like will be quick to make their advice. Wouldn't they? And why not - they all earn a fat commission or other fees. do you think any of them really cares about you? And if they really believed in their own "advice", why don't they mortgage their homes and buy in themselves? The fact is, "No one knows!" And that is true with MLM companies and buying stocks! A standard solution does exist however: diversify! Spread your investment around! Why put all your eggs into one basket?

Now all of this doesn't mean that you should select your MLM company(s) with your eyes closed. There are some fundamental rules and guidelines for you to consider. But before I offer my "advice," I will make my intentions clear and I will make one assumption. First of all, my intentions are to use the MLM MACHINE program to build a large MLM organization for all the "Highly Recommended" MLM companies that are listed in this program. And I want you to do the same. The MLM MACHINE program is simply a way for you to generate leads and recruit new MLM members. Once you and your downline are recruited, it is up to the MLM company to provide quality products and services. That's my intention and I make no bones about it! Before I offer advice, my assumption is that you are going to use the MLM MACHINE program to either launch or expand your existing MLM program. That being the case, I can now make sensible advice.

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1. Select your MLM programs from the “Highly Recommended” listing in the report, “30 Choice MLM Programs That Can Be Promoted FREE For You?” These have been selected for good reasons and all are compatible with the MLM MACHINE promotion. There are plenty of other good MLM programs, but they may be awkward to promote through mail or through this program. Also, your upline can help you better since he is also using the MLM MACHINE program.

2. Enroll into at least 2 or 3 MLM programs. This just makes good business sense. As you know, the MLM MACHINE will automatically and effectively promote all your programs. There is no guarantee that any MLM program will survive, so let’s not be naive about this. Safety is in numbers! Although we have chosen these companies and have highly recommended a few to the best of our ability, one could go sour. But they all won’t go sour . . . at least at the same time. And in the mean time, you should be making money with the one or two companies that you’re in.

3. Build your one core MLM company that is at least five years old and is the best one that you can find. Write for literature on our #1 ranking program. Consider our #2, #3, #4 and #5 “Highly Recommended” for diversification. Since some of these can be promoted easier and faster, you may want to vigorously promote these programs while you are building your slower, but stronger #1 program.

4. Get into MLM companies that you have total confidence in. There is nothing quite as frustrating as trying to promote a product or a company that you don’t really believe in. Stick with the winners with a few years of success behind them!

5. Make sure that the MLM company(s) that you select have inexpensive literature that you can send by mail in a cost effective manner. This just makes good mailorder sense!

TIP Request the literature for all five “Highly Recommended” MLM programs that we list. That way, you can evaluate these programs immediately without lost time. Then decide!

TRICKS Concentrate on your method of lead generating, instead of trying to sell everyone your MLM company. Let the MLM MACHINE do the lead generating and “selling.”

TRAP Don’t be a “MLM junkie” without a plan. Human nature is to entice you into many different exciting “ground floor” MLM opportunities. These can be fine, but you will lose your shirt if you don’t have a coherent plan that makes sense. work this program and its offering to the fullest before you take off in other directions.

4. No Upline Support Once a person joins a new MLM program, he is vulnerable and needs a lot of help from something or someone. In many cases, his

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upline is not actively helping him for whatever reason. This happens a lot when the upline person is simply sponsoring as many people as he can with no regard to what happens to them after they get sponsored. In most standard MLM programs, it is important that the new person gets immediate assistance from a local person, meetings or what have you. Otherwise his chances for survival are slim to none.

TIP Depend more on your lead generating “system” instead of your upline personal. Look, we are all human. If I sponsor you, and I die tomorrow, where does that leave you? If you are completely dependent upon my ability to help you, then you would be in big trouble. Right? Stick with the MLM MACHINE “system!” You can then survive with or without your upline. In that way, any help that you get from your upline is “gravy.” Fortunately, with the MLM MACHINE system, there is also a lot of “gravy.”

TRICK As explained in the report #4, buy some leads from your upline if you need them, and sell your surplus ones to your downline.

TRAP Be wary of “Downline Building” companies. They want to sponsor you, and you could wind up paying as much as \$100 to \$200 for each person that they arrange to be sponsored for you.

5. New MLM'er Can't Sell

This is probably the major reason most people don't make it MLM. By using standard MLM techniques, you have “just got to” sell and learn how to speak at opportunity meetings and the like.

TIP The MLM MACHINE simply removes this problem! You can promote 100% by mail!

TRICK Use the Mailorder offerings to earn profits while you are promoting MLM opportunities.

TRAP Don't attempt the conventional MLM methods of selling by mail. Since these methods are attempted by thousands of other distributors in the same company, they generally are ineffective and very costly.

6. MLM'er Cannot Generate Good Leads Next to the selling problem, this has to be the next biggest reason most people fail in MLM. Let me paint you a picture of what normally happens. The new person has just signed up in an exciting MLM program. He is taught by the manuals, meetings and so forth, how he should “share” his product with his friends, neighbors and relatives. Normally, he is not comfortable with this, and if he is typical, he will have many sleepless, tossing and turning nights! He just doesn't want to “impose” on his friends! He would feel a lot more comfortable just presenting his opportunity to strangers. But to whom? Unless his upline sponsor can get to him immediately, this guy is sure to be a fatality!

TIP Use the MLM MACHINE mini-flyers to circulate locally and mail

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postcards to your “inner warm circle.” That way you can generate all the leads that you want, and you don’t have to impost on anyone. Let the MLM MACHINE do all your selling for you.

TRICK Explain this program to a couple close friends and propose a business venture in that you and they will do a little local advertising. That way, you can sign up your friends and both you and they will generate a lot of fast leads.

TRAP Don’t procrastinate! You may have a wonderful opportunity, but if you don’t take action, you will be “dead in the water.”

7. There Is No True Duplicative System

If the MLM company must be promoted through expensive methods, this is not feasible. Also, if you must learn how to sell, or to speak and conduct an opportunity meeting - friend, this is just not duplicative. It just isn’t! Only a few people can do this. Here again, is a very important reason a lot of would be MLM’ers die on the vine.

TIP Simple. Use the MLM MACHINE program. It is duplicative for both promoting locally and nationally. That problem is simple solved.

TRICK Follow up with your first level of people. You can do this by letter or phone. If you have signed up someone that is not active, replace him with someone new, but keep all your first level people active.

TRAP You feel obligated to do your downline’s work. Look, your job is fairly simple. After you sell the MLM MACHINE package, your downline, like you, knows what to do. The MLM MACHINE will do 98% of the training for you and your downline. Your only other job is to try to generate a few surplus leads that you can pass (sell) on to your downline. That’s pretty much it. If your downline can’t follow suit, don’t waste time with him! Your objective is to have an active first level of people. But only a few!

8. MLM’er Sells By Mail Using Standard MLM Techniques

We have written on this in other MLM MACHINE reports, but because this can cause many “fatalities,” it must be included here.

TIP Use the MLM MACHINE approach. You can start and operate a profitable mailorder business while generating MLM leads. Run your “core” business like a mailorder business instead of a MLM business.

TRICK Promote your mailorder business locally first, and then expand it nationally if you like. That way, you keep your up front cost down and you get fast results.

TRAP Unless the MLM company has a proven mailorder method (and that’s very unlikely), never, never attempt to promote the MLM program by mail using standard MLM techniques. It’s way too expensive, too competitive, and it is not duplicative.

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MLM'er Can't Keep His Program Going Strong

9. MLM'er Not "Sure" About His MLM Company Or Service

Often a person will "sign up" in a MLM program in a "fit of excitement." After the dust clears, he comes down to earth and reality slowly sets in. He then starts having doubts about the company, the product or service and his own ability to promote it. If he has enrolled in a program that is not well established, he may have some well founded fears. If the company is not at least two years old, things can get very shaky very quickly. The slightest amount of financial problems or bad press can crater this company over night. Therefore, it is of utmost importance for the new MLM'er to align himself with a solid company with unquestionable products and services!

TIP Pick an established, financially sound MLM company that is at least two years old with unquestionable products or services. That way, you can feel good about the company and products that you are promoting. There is nothing quite like being able to "tell the complete truth" to your prospective customers.

TRICK Don't select a MLM just because you are "in love" with the product. Put your emphasis on the business, the money making potential, and the capability of the MLM MACHINE to help you promote it.

TRAP Don't get awe struck with a company that is not being promoted by the MLM MACHINE. If you join one of these, the MLM MACHINE can help some, but not near as much. Then you will be forced to use standard MLM techniques to promote this other company.

10. New MLM'er Doesn't Stick With It Long Enough

TIP Starting any company takes time, and this is true with MLM as well. By the time you study the MLM MACHINE program, write and receive literature: study this and sign up; get the literature; etc. - it takes time! And then you have to generate your leads and so on. Also, there is a lead time before you get your first check. And then your organization has to take time to grow. And on and on. The point is, it will take several months before you can expect much of anything to start to happen. You should set in your mind that you are going to stick with this for at least one year! That just makes good business sense.

TRICK Use the Mailorder promotions to earn money during the interim time. That way, you are earning extra profits and generating a lot of surplus leads to help your downline.

TRAP Don't spend all your initial promotional money on one thing and all at once. Do a little testing. Spread it out and find out what works best for you. If you "blow it" all in one big shot, and it doesn't work, then what?

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MLM COMPANY IN SERIOUS TROUBLE

11. Your MLM Company Gets into Serious Trouble

Here is something that can happen, so you had better be prepared for it. As I have mentioned before, there are some excellent MLM companies, and some not so good. But any company can get into serious trouble, and a lot of MLM companies certainly do. They can get into financial problems, or get bad “press,” management problems, etc. Anything can happen, and if you are one of the unlucky ones to be promoting this company, you could quickly become another MLM fatality. Particularly if you are promoting only this one MLM company.

TIP Diversify. Look, we both know that MLM offers many wonderful opportunities. We also know that this is a volatile industry. That doesn’t mean we should not participate. If you had to invest several thousand dollars in one MLM company, then I would be worried. But that is not the case here. You can partake in several MLM companies for less than \$200 a month, and still enjoy the benefits. Can’t you? Let’s face it. Although the companies that are listed “Highly Recommended” in the MLM MACHINE are excellent, solid companies, they may not be perfect. In fact, some may go “belly up.” But not all at once! Worst case, you will be in a MLM company at least a few months or years before they get into trouble. Now tell me you won’t have made a profit even with that company!

TRICK Sponsor your first level quickly. That way, your income will more than cover your costs. With the MLM MACHINE, this can be done with just a little extra effort. Then show your first level how to do the same. That way, you earn profits quickly and stay ahead of the game.

TRAP Don’t be a MLM “junkie” without a plan. Diversifying with a good coherent plan is one thing, but just buying into a lot of MLM companies is a “no-no.” But yet, did you know that there are many people that buy into dozens of MLM programs without promoting any of them? The MLM MACHINE program solves that problem - doesn’t it?

*** * * MORE * * ***

How To Build A Secure Income

TIP When you can afford it, buy into more MLM programs and other mailorder offerings advertised in this program. Re-invest some of your profits and round out your MLM companies to at least three. Start promoting the MLM MACHINE again so you can recruit members into your new MLM programs. When you do this, you will generate surplus leads for your original MLM programs. At this point, you can either feed these leads to your existing downline, or start to build a second organization.

TRICK Consider forming a co-op advertising group made up of your downline. You can advertise locally or nationally. You simply put the advertising package together, and your downline pays you so much for a block of this adver-

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tising. That way, they get tons of leads, and your downline builds automatically.

TRAP Don't forget the method that you used to succeed. After you become successful, you will want to work closer with the individual MLM companies that you are promoting. All these companies have "grand" ways that they want you to use and teach. Beware! Stick to the system that worked for you. If you want to become active in speaking engagements, opportunity meetings and the like, then that's another story. But don't get caught up in the glamour and tinsel that could mislead you after you have become a highly sought after speaker!

What You Need To Know About Network Marketing And MLM Plans

It seems that just about everybody is jumping on the Network Marketing Band Wagon due to the success of some major players like Amway, Mary Kay Cosmetics, Herbalife, Fuller Brush, Watkins and scores of lesser known companies. Regardless if it's a name player, or some new kid on the block, there's a few things you need to know, so let's get to it!

While there are success stories to be found, and some people really do pull-down high six figure incomes, the most glaring omission from the glossy sales brochures, and high-pressure advertising, is what no MLM company will tell you and they desperately hope you'll never find out What? The industry's gigantic 95% failure rate! Most people who try network marketing fall flat on their face. Only red-blooded, eager beaver experienced sales professionals, ever make any real money! Surprised?

To clear up any misunderstanding Network Marketing, Multi-level Marketing and MLM plans are all interchangeable terms used to describe the same type of activity. Also, as you'll shortly learn, many programs are nothing more than illegal pyramid schemes! I'll tell you how to tell the difference shortly.

To really "see" how Network Marketing works just look at the pyramid on the last page!

OK, now let's take a closer look at the goose to see if it really can lay the golden eggs everyone promises. The BIG selling point of every network marketing plan regardless of size or product is always the commission and bonuses you'll earn from your DOWN LINE. Everyone in your ever growing down line will entice, OOPS enlist others, all in turn paying YOU tribute with an ever increasing spiral of more and more commissions and bonuses. Well, that's what suppose to happen...

REALITY CHECK

By the time you hear about the "Great Opportunity, the originator has already signed up every close friend, associate, and "heavy-hitter," he can find. Every last one of them will forever and always make money off YOU as part of your UP LINE! In the stock market it's called "insider trading", taking advantage

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of the little guy. I don't really have to put in print what's likely to happen to you, I'm sure you're already thinking up some colorful language on your own to describe what I just explained!

In a typical network marketing plan, in order for YOU to make bigger commissions (the vast majority people that join rarely break even, let alone make any commissions with all the monthly fees you pay), you got to recruit other people into the program. Whoever you sign-up becomes part of your DOWN LINE and remains on a level below you.

In order for things to get cooking, the pyramid, OOPS... program has to GROW by Geometric Progression. Good news for people at or near the top levels. Remember, the "big boys" are already in, waiting to collect the share of the loot your hard work will earn them! It's bad news for YOU! As the plan expands both vertically and horizontally you will be in direct competition with more and more sponsors and distributors, each trying to recruit a down line or "steal" yours!

Not only is there a limited number of people interested in becoming your pawn, OOPS... partner, there's only so many potential customers interested in the product or service you're suppose to provide. People in your down line will jump ship to a different program or try and find a "better sponsor" on their own all the time, because they can't make any money under you. It's a Network Marketing Fact of Life the "big boys" don't tell you!

Now visualize a wet sponge. Before long your potential market has "soaked-up" all the sponsors it can take. You'll be bumping into one another trying to squeeze out the last possible recruit and sale. Now the cream rises to the top. If you're a great salesman you probably already got a good down line and know how to recruit and hold effective workers. If you're not, sooner or later you'll discover that all you're really doing is shooting yourself in the foot. You'll either quit, or try another program and repeat the process in a different program!

Promoters of network marketing plans love to brag about the fact there's no ceiling on how much you can make, but never get around to how much you can sacrifice in time, and effort to say nothing of all the money spent on monthly fees, and products you hid in your closet, buried in the garage, or gave to your mother-in-law because you couldn't sell it to anyone!

If you think you're "good enough," or just want to get your feet wet to see for yourself, the first thing you should do is decide if that great sounding offer you're thinking about is really a true multi-level marketing plan with a real product to sell, or simply a dirty little scheme trying to sell you on the "quick bucks" just selling the program to others. It's fairly easy to spot a phony. Here's a few quick tests that should help you decide. If the MLM offer you're considering can't give believable answers to these crucial questions tell the promoter to take hike!

1. Does the sales literature contain detailed description or its products or

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services, or only countless references to how easily, and quickly you can make money with little work or commitment?

Watch Out! If products or services are only mentioned as an after-thought, if at all, you're asking for trouble. The program is probably designed just to push dealerships, sponsorships, distributors or whatever terms are used. It's all done with smoke and mirrors. There's no substance. How can it work? Sooner or later it will fail!

2. Does the MLM offer products or services that the public needs, and wants?

This is kind of a trick question. Think about it. Is there really demand for what you're going to offer? Lots of luck if you're stuck with something that doesn't generate repeat business. It's the lifeblood necessary to generate the commissions you got into the plan for in the first place!

3. Can similar products be found in retail stores, or be obtained through mailorder at about the same price?

Your commissions and bonuses, if any, are based on sponsoring people who can fill orders. When you have a good product -that's what makes the money for you. Even if you have a good product, if it can be purchased through regular retail channels, ask yourself why people are going to buy from you instead.

4. Can you generate repeat sales?

If the company has a reputation for quality products you should be able to generate repeat business, build and hold your down line. That's what's necessary for any successful MLM Plan.

DECIDED THAT MLM PLAN YOU'RE THINKING ABOUT IS OK? HERE'S WHAT YOU NEED TO BE SUCCESSFUL!

1. A quality product or service.

2. A successful attitude. You must Live, Think, Talk, Dream Success. All day. Every day. No Exceptions. Sell. Sell. Sell.

3 Believe in yourself, and the company you're working for.

4 Have a realistic goal. Don't aim to high, but you do have to motivate yourself.

5. Discipline. You will never be successful if you only work at it when you feel like it! Go Back and read item # 2 again!

6. Find Prospects. If you don't know how, you will never get past first base!

7. You should like people. It's hard to be a good salesman if you don't; and that's what you have to be. A good salesman!

8 Close the sale. You can have the best product, an eager customer with money to spend, but if you can't ask for, and get that order, the best sales presentation in the world won't do you any good! To be successful in MLM you must be a really good salesman!

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9. You need Repeat Sales. More Repeat Sales, and still more Repeat Sales.
10. Recruit new distributors and or dealers.

A FEW WORDS ON MLM PROJECTIONS AND MONEY-BACK GUARANTEES

One of the best ways to spot a potential phony is a promise of a sizable “guarantee” if you don’t at least make \$100,000 or some other arbitrary high figure with their program in your first year. Honest companies can’t possibly make such an offer, or are not giving you the whole story!

Read the fine print. To collect on the guarantee you probably have to fulfill a few little requirements. Like pay a year’s worth of monthly dues, Provide proof you distributed 25,000 brochures, or have at least 10 people in your down line.

I already told you how difficult it is to even recruit a couple of people and then hold on to them.. The average MLM distributor has only 2.8 people is his/her downline. Now look past at all the fancy double talk and see what (if any) commission you get with just two people. Still want to join? Get out a pencil and a piece of paper and figure it out for yourself! The “guarantee” is meaningless.

SOME OTHER THINGS TO LOOK FOR...

- A company with a proven track record in business for several years. MLM companies have a strange habit of folding up their tent with little or no warning! Don’t get stuck holding the bag!

- Diverse product line. NO door to door selling. That’s a big hurdle. If product can be sold through a simple ad or catalog, it’s a lot less wear and tear on you, and burn-out is slower.

- Initial small investment. Don’t tie-up big bucks buying sample kits, etc.

- Proven earnings potential. Talk to several successful members already doing the program.

Can’t find any? Then how good is the program? Find a lot, then how are you going to cut into their action? MLM is a cut-throat fiercely competitive business!

I’m sure some people that read this report will strongly disagree with some, or all of the things I said. A few people do make a lot of money. A few forfeit their life savings. Most people spend months of sixty and seventy hour weeks with little or nothing to show for it! I have never met anyone who did much better than break-even with any MLM plan. If you still want to try, go slow and pick a quality company. Hope you’re the exception. If you are, drop me a line and tell me your success story. I would love to hear about it!

NETWORK MARKETING PLANS AND THE PYRAMIDS IN EGYPT

It’s really the best illustration to visualize what is required if a Network Marketing Plan is going to make YOU the kind money promised. The Pyramids built centuries ago in the distant desert sands of the Middle East have layer after layer of huge blocks piled one on top of another to support the massive weight of the

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immense structures.

Unlike the Egyptian pyramids that are already “topped out”, a successful MLM program must continue to grow. Not from top, but from the bottom by adding an ever increasing base to pay commissions to more and more people. If you can’t continue to recruit new people to join the plan to help support the growing structure you’re just running in place all the while you’re paying monthly fees for the privilege of trying! It’s like lifting up the entire pyramid and adding a new course of blocks.

The people that start the program, and a few “heavy hitters” near the top of the pyramid are feeding off of everyone’s efforts, and are of course profiting handsomely. While it is mathematically possible through geometric progression to make the kind of money claimed, the promoter never gets around to telling you that for everyone to do well would require enrolling first hundreds then thousands, and finally millions and billions of people! To keep going further would eventually require more people than there are on the entire planet!

Everything You Need To Know About Multi-Level Marketing MULTI-LEVEL MARKETING

Just what are all those thousands of programs and solicitations spreading a swath across the country...called “Multi-Level Marketing”? Well a good portion of them are nothing but chain or pyramid schemes, some completely illegal.

A true Multi-Level plan is one in which there is an agreement between yourself and a manufacturer or distributor to purchase products at wholesale and sell them at retail, also with the right to sponsor others (your down line) thus multiplying your sales base and profits by receiving a percent of the sales made through your downline. Persons you sponsor show others the program and sign them up as members under themselves. In effect you are multiplying your efforts by selling the product through a network of distributors. The downline is usually set up at three to five levels deep although it seldom gets that far, especially if it is a multi-level program being circulated through the mail.

A small initial investment is all that is usually required to become a distributor. You should have a flexible schedule but little experience is necessary. For you and your distributors to have any kind of success, you must handle high quality items which can be sold at substantially below retail store prices.

Distributors are charged for the program packet which includes instructions, literature, samples, etc. To be legal, the investment must be only a nominal amount. Sale or consumption of the product must be the prime objective and no fees should be collected for recruiting endeavors.

A common problem in recruiting people is getting them to “Look at the Plan”. If they have seen multi-level plans before they won’t give anyone a chance

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to explain the program as they think they already know all about it. Some get around this by inserting an ad in the local paper, asking interested parties to call about “a good money-making plan”. They use a telephone answering machine which advises the caller where and when to attend an “Income Meeting”. The machine doesn’t give them a chance to ask questions. If they are interested and not just curiosity seekers they may show up for the seminar.

Multi-level selling by large party plan firms are often successful because they keep their members productive through a series of coaxing, weekly meetings, phone calls and home visits. This stimulates activity and better results are obtained. These elements are missing in multi-level mailorder programs. There is no motivation, inspiration or force applied to downliners. The meetings and personal contacts that represent strength are missing when the business is conducted by mail. Therefore a good many of the multi-level mailorder programs can’t work and are basically worthless, especially on a 4 or 5 level down line position.

A typical multi-level get rich scheme is where you are offered a book selling plan for \$5.00. You are assigned a code number and mail out 500 brochures. When your name reaches the fifth level you are supposed to have collected something like \$50,000 in commission for 100,000 books which sold for a total of \$500,000. This is based on only 10 orders received by you and 10 orders received by each of your downliner’s who also mailed 500 brochures.

If only 10 people in the entire United States initially worked this one plan with the same success you are supposed to have, there would be 5,000 brochures out the first level; 50,000 the second; 500,000 the third level; 5,000,000 the 4th level, and 50 million in the 5th level. That would amount to some \$11,000,000 in postage with brochures delivered to over one-half of the 90,000,000 mailorder buyers in the U.S.

This type of program will collapse under its own weight. After one level there is usually a complete drop-out.

Most such plans get started because of exorbitant, dishonest claims. Tell the truth in an ad on Multi-level marketing and there are very few takers. Change the ad to greatly exaggerated claims, such as “Earn \$100,000 a year working from the home part time” and the inquiries pour in. The response on this kind of ad doesn’t mean that anyone will make any money!

There are too many ways to make an honest living without telling lies so keep your Multi-level plans level!

As mentioned previously unless the organization you are dealing with offers top quality products at discount prices it is very difficult to make a living with the multi-level marketing concept. A person has to knock on a great number of doors, or send out a massive amount of literature through the mail in order to find

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qualified people who are interested in pursuing this kind of activity.

If multi-level programs worked as good as many of them advertise the nation would be flooded with solicitations thousands of times over for every plan on the books.

Being able to work a multi-level plan on a part time basis at your leisure, with no pressure from the company as to how much of the product you purchase or the amount of business you must bring in each month, is one of the attractions of this kind of activity but results are usually negative. It's too easy forget about the business, sit back in your easy chair, and watch TV.

After a hard day's work at another job it doesn't take long to forget that you have a part-time multi-level program going. That phone call or that meeting to show the plan is too easy to put off until "tomorrow". Yes; it takes a certain kind of individual to follow through and they are few and far between. You may make 200 calls and show the program 100 times before you get even one member who will take an active part in the program.

Most Multi-level plans state that you can make thousands of dollars by duplicating yourself a few times and your down line doing the same. It never works that way. You are fortunate if a small percent of your down line produces much of anything unless you are able to spend a great deal of time teaching and promoting their business as well as your own.

How are you supposed to get prospects and members? Most of the promotional materials suggest you solicit your friends, neighbors and relatives, at least as a starter. Many people are reluctant to "take advantage" of their friends. Of course, if you have the best bargains available "anywhere" you may be doing them a great favor.

Phone calls, word of mouth, direct mail pieces and follow-up, and local classified ads are other methods used to get members and sell the products.

Multi-level companies usually offer newsletters, catalogs, direct mail pieces, and Camera/Ready material which members can have copied or printed locally. They often have name lists available or advise members how to compile their own lists.

Mail Order multi-level organizations will usually drop-ship direct to your customers if you wish. They are also set up to do most of the paperwork and accounting, leaving members with little detail work.

If you decide to try a multi-level program you are usually required to pay a fee for which you will obtain all the materials and information pertaining to the organization, the products, and how the program works. You may also be asked to purchase some of the items you will be selling. You will contact friends and neighbors, explaining how the program works, try to sell them merchandise from the catalogs and sign them up as members if possible. You will compile lists of

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prospects and make direct mailings. As your business develops you will need to contact those in your downline periodically and offer sympathy, help and assistance in order to make the business grow.

Many other incentives, prizes and extra commissions are offered by some firms.

Make sure the organization you choose and the programs they offer are legal. If it is just a pyramid scheme whereby members are merely signing up others for a fee and little if any merchandise is being sold it could be illegal. In any event, this type of operation will produce little if any money-making opportunity. If in doubt it is advisable to check out the firm with the Better Business Bureau or with the postal authorities when it involves direct mail methods.

Remember also, there are some very fine multi-level firms offering good opportunities for success oriented people. Those who thoroughly enjoy meeting and working with others, who are not afraid of hard work, not easily discouraged and who can persevere in the face of many disappointments, have made their fortunes in Multi-level marketing. With such attributes and the right program together with proper training you can be a success in this kind of business.

ILLEGAL MULTI-LEVEL PLANS!

In certain states most Multi-Level Sales plans can be classified as illegal since it is unlawful to organize a "pyramid club" or to induce or attempt to induce membership in a "pyramid club".

In such states a "Pyramid Club" means a sales device whereby a person, upon condition that the person make an investment, is granted a license or right to solicit or recruit for economic gain one or more additional persons who are also granted such license or right upon condition of making an investment, and who further perpetrate the chain of persons who are granted such license or right upon such condition. Pyramid clubs also include any such sales device which does not involve the sale or distribution of any real estate, goods or services, including but not limited to a chain letter scheme.

Pyramids are illegal because they are inherently fraudulent. In order to achieve the profits that are promised, a never ending chain of participants must be recruited. A saturation point will be reached and no more recruits will be available. When this occurs the most recent recruits can't receive what has been held out to them to cause them to join, and they lose all or part of what they paid to join the scheme. After just a few levels there would have to be millions or billions of participants to keep the chain going.

Chain letters are not the only illegal pyramids. As noted above, Multi-level sales schemes can be illegal also. Many of them are nothing but chain letter schemes with the nominal addition of some goods or services to be distributed. Legal multi-level marketing systems are designed to distribute goods and ser-

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vices and are not disguised as endless chains. A pyramid club is present if participants make investments in return for the right to recruit, for economic gain, others who in turn recruit additional participants.

Both the “investment” and “recruiting” elements must be present to constitute an illegal pyramid scheme. “Recruiting for Economic Gain” means if anything is received directly or indirectly as a result of recruiting new participants. Even earnings based on sales made by new participants recruited, also constitutes economic gain.

Evaluating multi-level sales schemes is a difficult process and many considerations must be answered in order to determine the legality or illegality of each multi-level plan or program. Is there more stress toward recruitment than for the sale of the product? Are the claims, as to what the earnings are, based on actual experience of typical participants? (They better watch out for the entries made in the IRS computers pertaining to their fabulous income claims.)

Are there misleading representations? You would have to get your attorney to review specific circumstances of each plan or program in order to determine which ones are legal or illegal! Even then you can't be sure. I am certain however, that if you send any of them that are questionable to the Postal inspectors office you will generally get a negative report back, regardless of whether the plan may be legal or not.

The fact that the Federal Government, through the private, non-governmental agency known as the Federal reserve, can print and issue green paper out of thin air and cause usurious interest rates across the country, or that the States can hold lotteries that are considered illegal for private agencies or persons, has nothing to do with the way people are not allowed to play the multi-level or chain letter game!

Mail Order Dealers Can Learn From MLM'ers

After 7 years in business I still read almost every piece of mail I get. (I guess that shoots down those rumors and detailed instructions from people on how to get your envelope opened since I open them all.)

Also - I'm not involved in multi-level marketing (MLM) simply because I'm not motivated in that direction. I don't care if I could get \$100,000 per month for sending out 100 flyers, I'd still lack the motivation it takes to be a winner in the MLM field. However, I still get MLM-related magazines and tabloids. I mean, we are all from the same “clan” are we not?

Multi-level marketing is a fantastic business. If you are the type of person that enjoys a lot of people contact and have a great product you believe in - multi-level marketing can work out great for you. There are people making \$1,000's of dollars per month in commissions alone - but they worked hard for it. I prefer mail order though because it's slow-paced and more “people-oriented.” Now,

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don't get me wrong. Multi-level marketing is "people-oriented" too, because a product is being sold to people. However, multi-level marketing is also a "money-making" industry that places great emphasis on building downlines and selling lots of product to meet the monthly criteria established by the main multi-level company.

Although the articles in multi-level publications are not related to mail order, they teach you about positive thinking that is needed in any type of business. You can pick up some good business tips whether you are in mail order, MLM or selling homemade pies at a garage sale. Business is business. Marketing is marketing. Selling is selling!

One such article I read a couple months ago was related to thinking like a millionaire. For instance, when most people are asked: "What would you do if you won \$50?" they would say that they'd take their spouse or friend to dinner and a movie. When asked, "What would you do if you won \$5,000?" most say they would buy a car, pay off old bills or take a trip. But when these people were asked, "What would you do if you won \$2 million dollars?" they all said they would INVEST it.

The article went on to say, that if these people would only INVEST when it came to big money - how could they ever hope to achieve it? I mean, how can you ever accumulate \$1 if you don't start saving the change? How can you save \$120 per year if you don't start putting in \$10 bills now?

Some of the best multi-level type publications on the market today are "Opportunity Connection," "FreEnterprise," and "Big Al's Recruiting Newsletter." In every issue you will find information that will help motivate you to sell your product and fantastic marketing tips that the professionals use. Multi-level marketing is truly a professional business. This is the place you will find new and exciting products that are not available locally. In fact - multi-level marketing firms produce some of the best products in the world.

Please don't confuse multi-level marketing with birthday clubs, chain-type schemes and those circulars that ask you to place your name and address in Position 1 and move all the other ones down before making copies. These pieces of "trash" will never make you a dime and if I could - I would outlaw their existence. They steal lots of money from many innocent people on a daily basis.

On the other hand - multi-level marketing is when you have a REAL product to sell. You build downlines (people who sell the same product under you) and you make commissions every time these people sell. But watch out for those matrix definitions too. Many people don't really understand them fully and just look at the bottom line of how much money they'll make. Also, many newcomers think that if they get a friend to sell products for them that they will earn commissions off every sale the friend makes. Sometimes this is true and other times it isn't. More

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often than not - you have to build a downline of 10 or 15 people before you start earning commissions, so make sure you know exactly how a particular multi-level marketing company works before you sink a lot of money and time into it and think the entire industry is a big waste.

Look over your business goals. Decide what you really like to do. Basing your decision on how much money you make won't cut it. You wouldn't decide to have children just because of the tax deduction you would receive would you? Well - you should never start a business for the sole purpose of making money. Instead - find something you enjoy doing that will make you money. When you love what you are doing, the money will flow naturally and you'll see a business emerge within a few years that you never dreamed could be possible. Have fun!

Selecting The Right Business Name

Ask 500 people already in business how they decided upon their business name and you will get 500 different answers. Everyone has a story behind how they chose their own business name. Even if the business is named after their own birth name, there's a reason why this was done.

When you open a business, in a sense, you are causing a new birth to begin. This new birth was created from an idea alone by you or your associates. It will have its own bank account, it's own federal identification number, it's own credit accounts, it's own income and it's own bills. On paper, it is another individual! Just as if you were choosing a name for your own unborn child, you need to spend considerable time in deciding upon your business name.

There are several reasons why a good business name is vitally important to your business. The first obvious reason is because it is the initial identification to your customers. No one would want to do business with someone if they didn't have a company name yet. This makes you look like an amateur who is very unreliable. Even if you call your company "Kevin's Lawn Service," a company name has been established and you are indeed a company. People will therefore feel more comfortable dealing with you.

Secondly, a business name normally is an indication as to the product or service you offer. "Mary's Typing Service," "Karate Club for Men," "Jim-Dandy Jack-of-all-Trades," "Laurie and Steve's Laundry," "Misty's Gift Boutique," and "Star 1 Publishers" are all examples of simple business names that immediately tell the customer what product you offer.

However, most people will choose the simple approach when naming their business. They use their name, their spouse's name, their children's names or a combination of these names when naming a business. The national hamburger-restaurant chain "Wendy's" was named after the owner's daughter.

However, research has proven that these "cutesy" names are not the best names to use for a business. Many experts claim that it makes the business look

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too “mom-and-pop-sie.” However, this depends on the business. If you are selling something that demands this mood or theme to appeal to your market, it’s best to use this approach.

Personally, I am inclined to name my businesses with catchy names that stick in people’s heads after we have initially made contact. Names like, “Sensible Solutions,” “Direct Defenders,” “Moonlighters Ink,” “Printer’s Friend,” “Strictly Class,” “Collections and Treasures,” and “Starlight on Twilight” are all good examples of catchy names. These types of names relate to your product or service but serve as a type of slogan for your business. This is a big help when marketing.

A friend I know owns a business called “Mint and Pepper.” He grows and sells his own line of raw seasonings to people in the local area. At a get-together for small businesses, he passed out his business card. The card had a peppermint candy glued on the back and the slogan read: “Your business is worth a mint to us.” This marketing concept not only got my friend noticed and remembered, but brought in several large orders for the business.

When you name a child, you may not decide upon a definite name until after they are born. You do this because a name is sometimes associated with a type of personality. When you name a business you may need to wait until you have a product or service to sell and then decide upon a business name before going into the business itself because your business name should give some clue as to what product or service you are selling.

A business named “Joe’s Collections” normally wouldn’t sell car parts and a business named “Charlie Horse” would not sell knitting supplies.

To generate ideas - begin looking at business signs everywhere you go. Notice which ones catch your eye and stick in your mind. Try and figure out “why” they stuck in your mind. Naturally, the business “Dominos Pizza” sticks in your mind because it is nationally known. These don’t count!

Look around and notice the smaller businesses. Take your time. Within a few days you should be able to come up with a few potential business names.

Then, when you finally find a few names you really like - try reciting them to other people and get their opinion. It won’t be long until your business will have the proper name that will carry it through it’s life!

MAIL ORDER HINT:

Try to avoid very long names so they will fit into small display ads. Amalgamated International Enterprises can be easily presented as AIE - which is easier and shorter to spell.

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If Somebody Owes You Money

If you are owed money and have not received any payment over a reasonable period of time, there are several steps you can take to collect, even before going to the expense of hiring a collection agency or lawyer.

While making these moves, you can collect evidence in case it becomes necessary to take the matter to court.

CALL THE DEBTOR This method, handled properly, can have surprisingly successful results. For best results, have another person of the line to witness the conversation. In case the debtor denies the call, you have a witness who can testify otherwise.

WRITE THE DEBTOR Write a letter that confirms and reviews all the pertinent points of the telephone conversation. The goal is to make your letter clear enough to make it stick in court.

IF THE DEBTOR IS A BUSINESS File a complaint with the BBB or the trade organization in which the debtor is a member. Make sure you stick to the facts in order to avoid being sued for libel.

How To Make Money Making Magnetic Signs

Making magnetic signs in your garage or shop not only profitable — it can be fun! Magnetic signs are vacuum formed, 3-D sheets of plastic with two-way foam or magnetic strips on the back to hold them in place.

The “book” on magnetic signs has not yet been finished because each every new entrepreneur discovers new innovations, such as “cast iron” finish or metallic paints and relief cameos. The primary products, magnetic car and truck signs, are widely accepted but there is still plenty of room for your creative talents!

The initial investment to go into this business is approximately \$1,000 for some basic no-frills equipment and startup supplies. The cost of making a pair of 12 x 24 inch (the standard size) is about \$7.00 with 10 -15 minutes labor. A pair this size sells for about \$40 (\$24 wholesale).

The magnetic sign process is performed by placing a 28 by 16 inch start white vinyl plastic into a vacuum machine, heating the plastic until it softens, then “pulling” it down over an arrangement of letters with a vacuum pump.

The vacuum machine looks something like a suitcase — with heating wires in the top perforated baffle about 4 inches below the rim of the bottom. The vacuum motor is underneath the baffle and the controls are on the outside front. The plastic is laid across the bottom half and sealed when the lid is closed.

The heat is turned on a couple of minutes (until the plastic begins to sag), then it is turned off and the seconds, during which time the plastic is pulled down

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onto the perforated baffle.

When the vacuum machine is opened, the resulting sign has a raised impression of whatever design was placed on top of the baffle. The rough sign is then removed, trimmed, magnetic tape applied, and the raised portions are “painted” with rubber rollers (brayers) and vinyl “ink” (Paint). Minor errors are scraped off with pocket knife and PRESTO, a finished magnetic sign!

The magnetic sign “art” is fashioning and arranging the models (letters, logos, etc.) that create the sign. Letters and logos are about 1/8" thick (thicker for large items). They are arranged or laid out exactly as the sign should appear.

A wide variety of letters (sold in sets or “fonts”), Logos and various special effects such as borders, corner embellishment and arrows are available commercially in magnetic, metal or composition material.

Magnetic are the most expensive and are used for designs laid out directly on the baffle. Their magnetism helps them stay in place as the hot plastic forms over them. Metal letters are also expensive, but long lasting. Composition letters are used for the clipboard process (see below), and are quite easy to make yourself.

There are two basic methods of laying out copy. The first (and fastest) is to arrange magnetic letters directly onto the baffle and “pull” the sign down over them. This method, however, often results in slippage — letters on the outside are moved slightly as the plastic catches them in the pulling process. It also is difficult to keep everything “together” for more than a couple of pulls.

Other drawback are the cost of magnetic letters, that only the old, two-way cellophane back magnetic tape can be used (foam backed would melt) and, that the baffle holes show through onto the sign (although few customers seem to mind).

The other, (clipboard) method involves gluing magnetic OR ANY OTHER TYPE LETTER or design onto pieces of chipboard that are the exact size of the desired sign.

Chipboard is a gray composition material like that found on the back of writing tablets — its is porous enough to let the vacuum process work, and smooth enough to give the sign a nice, satin finish.

Most sign operators have many different styles of chipboard patterns — all cut to shape, with rounded corners even custom shapes. Lines are drawn on them with FELT TIPPED PENS ball point leaves lines that show on the sign!) as layout guides.

Some even have circular lines so the letters of top line of the sign can be laid out in an arch. As the letters are placed onto the chipboard pattern, a touch of glue is added (white, or gluestick), to hold them in place (use more glue for more impressions). Once the sign is laid out, place the whole thing in the machine and make as many signs as you need.

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When finished, pick off the letters and use a piece of sandpaper to smooth the remaining glue on the chipboard. Occasionally, you may have to wash the letters — but not often.

Chipboard signs do not show the tape lines because the tape is applied after the sign has been formed. They are especially desirable in cases where several sets are needed — and for those little space-fillers, because the letters stay in place. They also offer the advantage of custom shapes. Any shape you can cut out of the chipboard can be the shape of your sign, which can be used over and over again (thanks to the sandpaper technique).

Finally, the chipboard sign is now every bit as durable, due to the advent of foam backed magnetic tape.

Several years ago there were problems with the magnetic tape coming off, even for signs molded in the machine (where the tape and plastic are hot when they “meet”).

This problem was sometimes caused by improper molding or the use of mold release spray in the area. The proper way is to frame the desired sign on the baffle with the magnetic tape, then pull off the protective cover at the last moment before the sign is pulled. Signs made this way show both the baffle holes and the magnetic tape impression.

Signs not made this way (e.g., chipboard) should ALWAYS have foam backed magnetic strips or full magnetic backs. Otherwise, there will be detachment problems.

Full magnetic back material costs about twice as much as strips and is half as thick. It does make a nice, sturdy sign, but probably won't last any longer or perform any better!

Some sign makers use styrene plastic sheets, which are much cheaper than vinyl (or clear butyl) — but they will not last outside. Styrene should be used for experimentation, molding and inside signs only. It is wise to keep a few sheets around for these purposes.

Note that styrene will not stick to vinyl and vice versa. Styrene works fine for molding and will keep for months if kept flat and out of the sun. Many sign makers keep impressions in styrene in case they need to mold more letters or logos.

There are several ways to mold your own letters and logos. You can mold from impressions you make, or copy one from another sign (clean the back and spray it lightly with mold release first).

Although you can use temporary material, such as fiber glass, most of these will not hold up in the vacuum machine for more than one or two pulls (due to the heat), and some will require lots of mold release (or baby powder).

Molding compound (two part) is expensive, but yields very inexpensive

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fonts. If you want to save money, buy a font of PLASTIC letters, make an impression of them in styrene, then mold your own letters with a good quality molding compound. You will be able to save about 85%!

Another way to save money is to make your own models out of Masonite or chipboard (two ply). You can make arrows, lines, flowers, whatever (#8 copper wire makes excellent parentheses; model airplane balsa strips are great lines and boxes).

If you want more copies, make an impression in styrene — or unused portion of a sign that you are pulling — and mold as many as you need.

Selling magnetic signs is a matter of getting out the word. If you want to wholesale, take a few (small) samples around and call on stationery stores. Tell them about your service and how long it will take to get a pair of signs they order (since you are local, you can beat out-of-towners).

When they agree to take orders, leave a price list and your phone number. If you also retail, you must sell at the same “suggested” retail prices (or your accounts will leave you flat). Put signs on your truck or car (sides and back), a small ad in the paper, and have a few cards printed.

Set up a record-keeping system, get some sales books from the dime store (stamp them with your company name), and start cranking out signs.

Although anyone can learn to make magnetic signs, the best advice is to get an outfit, invest in some styrene and an 8 oz bottle of styrene paint, and “ruin some plastic.”

It takes a little practice to become proficient at spacing letters and painting the rollers, etc. but you will catch on surprisingly fast.

An easy way to keep track of orders that come in by phone (usually from retail accounts) is to keep a bound notebook next to the phone, and make a little box beside each order.

List the date, account and full details of the sign ordered. When the order is finished and delivered check off the little box —this will let you see at a glance which orders are still pending at any one time.

The biggest potential problem area is that you might make mistakes that result in lost time and money.

Make sure all of your “copy” is written down and keep a dictionary handy. When taking orders by phone, be especially careful to get the correct message, spelling, colors, etc.

When laying out the work, pin the order at eye level above where you are working — and double check the sign against the order before putting your finished layout into the machine... If there is the SLIGHTEST doubt in spelling or wording, check before you pull!

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One other thing be aware of is the size of your vacuum machine. The standard sign is 12 x 24", so your machine should be big enough to make one OR TWO signs at a time. With odd sized machines, you may have a lot of expensive waste.

Tip: If you consider buying a second machine, get one that will use the same size rolls of plastic, so you can buy in bulk and use the same cutting boards, etc.

You can also make customized plates in a standard vacuum machine (3 at a time in a 12 x 24 inch model). This simply requires three chipboard patterns upon which you lay out and glue the desired copy. And, you can make impressions of almost anything.

One sign maker glued bolt heads on his chip board and painted them so the sign look like they are bolted on the vehicle! Another trick is to cover the chipboard with fabric (use 3-M spray adhesive for this) for an interesting background. There are thousands of other variations that you will discover in this fascinating business.

Note also that once you are in the magnetic sign business, the same customer will be interested in printing, engraved signs, and all sorts of things that are associated with starting and promoting small businesses.

Tips: to make "metallic" paint, add an ounce of aluminum to seven ounces of regular color. For a cast iron appearance, form over sandpaper, paint black and apply metallic rub 'n buff.